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THESIS

PERFORMANCE WORK STATEMENT
FOR
AIR TERMINAL SERVICES

by

Donald Hughes Tomlinson

December 1985

Thesis Advisor: P. M. Carrick

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Reliance on the private sector for commercially available services is a long-standing Government policy. This policy is currently embodied in OMB Circular A-76. The formulation of a Performance Work Statement (PWS) is a critical part of the A-76 study process and becomes the key to success in specifying service requirements. This research examines the major problems encountered in developing a PWS and its conversion to contract technical specifications.

The study, through actual drafting of a PWS for Air Terminal Services, determined that the problems encountered in PWS formulation can be minimized by development of standardized, baseline PWS documents and permanent

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Performance Work Statement
for
Air Terminal Services

by

Donald Hughes Tomlinson
Lieutenant Commander, Supply Corps, United States Navy
B.S., United States Naval Academy, 1974

Submitted in partial fulfillment of the
requirements for the degree of

MASTER OF SCIENCE IN MANAGEMENT

from the

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December 1985

ABSTRACT

Reliance on the private sector for commercially available services is a long-standing Government policy. This policy is currently embodied in OMB Circular A-76. The formulation of a Performance Work Statement (PWS) is a critical part of the A-76 study process and becomes the key to success in specifying service requirements. This research examines the major problems encountered in developing a PWS and its conversion to contract technical specifications.

The study, through actual drafting of a PWS for Air Terminal Services, determined that the problems encountered in PWS formulation can be minimized by development of standardized, baseline PWS documents and permanent assignment of A-76 study teams at the command or area level. The PWS for Air Terminal Services included in the report provides the standardized, baseline PWS document for Navy-operated Military Airlift Command aerial ports.

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I. INTRODUCTION AND METHODOLOGY

A. RESEARCH OBJECTIVE

The Government's policy of reliance on the private sector for commercially available services has its roots in the earliest days of the citizen/soldier colonists. The goals of this policy are economy in government operations and avoidance of Government competition with its citizens. Identification of service requirements and specification of applicable standards have long been the most difficult and highly litigated aspects of this policy. The objective of this study is to identify the major problems encountered by Government personnel in contracting for services to be provided by the private sector.

B. BACKGROUND

Since the first Executive Department directive on contracting for services with the private sector was issued on 15 January 1955 [Ref. 1], commercial activities performed by or in support of the government have received increasing emphasis from both by the Executive Department and the Congress. Congressional emphasis has waivered as political and economic concerns suggest increases or decreases in the size of the Government.

Current Government policy regarding the performance of commercial activities is contained in Office of Management and Budget (OMB) Circular No. A-76 (Revised) dated 4 August 1983. It states that:

> In the process of governing, the Government should not compete with its citizens. The competitive enterprise system, characterized by individual freedom and initiative, is the primary source of national economic strength. In recognition of this principle, it has been and continues to be the general policy of the Government to rely on commercial sources to supply the products and services the Government needs. [Ref. 2:p. 1]

The key to Government procurement of services is the Performance Work Statement (PWS) which specifies the services to be provided, the standards which these services must meet, and the methods of Government Quality Assurance evaluation. The Government must formulate this PWS by accurately describing the essential technical requirements for the required services if the contracting transaction is to be legally binding [Ref. 3:p. 2]. OMB Circular No. A-76, Part II [Ref. 3:p. 5] requires that the statement of work meet the following:

1. The performance oriented statement of work, or performance work statement (PWS), must include the standards of performance and acceptable quality levels.
2. Performance standards must be measurable.
3. Quality control will be a contractor responsibility.
4. A PWS must not contain detailed procedures unless absolutely necessary.

5. References to directives in the PWS should be held to a minimum, while meeting the requirements of mandatory laws and regulations.

6. The Government's Quality Assurance surveillance plan(s) contained in the PWS must be an acceptable and legally defendable way of performing quality assurance.

7. The most qualified persons available must write the PWS and the surveillance plan. Standardized government documents, when available, will normally provide a valuable baseline document.

The actual formulation of a PWS that satisfies these requirements and is also in compliance with a multitude of Executive Department, Congressional, and agency instructions and regulations poses a difficult, frustrating, and often time-consuming project. PWS formulation requires the technical knowledge of the operator, the contracting expertise of the buyer, the contract administration experience of the contracting officer, and the legal background of a lawyer to meet the seven requirements above.

The organization which is tasked to draft the PWS is part of a team which is assigned to study the services under consideration for contracting out to the private sector. This effort involves the PWS formulation, contract solicitation, cost comparison studies, and source selection. It is most often referred to as an "A-76 study team", after the OMB Circular which contains the Government policy.

C. RESEARCH APPROACH

In this thesis, a case study approach was taken to the problems of PWS formulation for commercial activities. Broad Performance Work Statement formulation issues were addressed initially and then dealt with specifically in the context of Air Terminal Services. The commercial activity of Air Terminal Services was selected due to service needs and the fact that no standardized baseline PWS for these functions was available. The PWS formulation problem was complicated by the fact that it required cross-service coordination, which mandated that the PWS comply with two sets of instructions and regulations, as well as the Memorandum of Understanding (MOU) between the Chief of Naval Operations (CNO) and the Military Airlift Command (MAC).

A standardized baseline PWS was formulated for Air Terminal Services and is provided as a guide for future Navy A-76 studies or for Air Terminal Services contract technical specifications. There are currently 23 Navy-operated MAC aerial ports worldwide, over half of which have some or most of the Air Terminal Services functions contracted out to the private sector. An model for a standardized baseline PWS for Air Terminal Services is attached as Appendix A.

D. RESEARCH QUESTIONS

Given the preceding requirements and objective, the following primary research question was posed: What are the major problems encountered in Performance Work Statement (PWS) formulation/PWS conversion to contract technical specifications and how can they be avoided or minimized?

The following subsidiary research questions were considered pertinent in addressing the primary question in the specific area of the Air Terminal Services PWS case study:

1. What are the key functions within a Performance Work Statement necessary to ensure efficient operations of Air Terminal Services at Navy-operated Military Airlift Command aerial ports?
2. Which functions under the Navy/MAC MOU are commonly contracted out at major Navy-operated MAC aerial ports?
3. Which Navy and MAC regulations are mandatory and require specific inclusion in an Air Terminal Services PWS?
4. Which provisions of the Navy/MAC MOU on Air Terminal Services apply to areas covered under the PWS?
5. For identified functions, what standards are specified in the MOU or regulations, which of these standards are critical to efficient operations, and what acceptable quality levels should apply?

E. SCOPE, LIMITATIONS, AND ASSUMPTIONS

1. Scope

The scope of this research was to identify problems in Performance Work Statement formulation and PWS conversion to contract technical specifications. The study also provides a standardized baseline Performance Work Statement for Air Terminal Services which will be generic in nature and applicable to all Navy-operated MAC aerial ports.

The area of air terminal services is quite broad in nature and only those functions commonly contracted out are included in the study, specifically Passenger Services, Cargo Handling Services, and Ramp/Fleet Services. Other Air Terminal Services not covered in the baseline PWS include Air Terminal Operations Center functions, the Automated Data Processing Center, Load Planning and Document Control. They are excluded from the standardized baseline PWS due to the wide disparity between responsibilities for these functions at the various Navy-operated MAC aerial ports.

2. Limitations

All areas of Performance Work Statement formulation and implementation are included in this study; however, excluded from the standardized baseline PWS were areas under the purview of some ATO's but that are not normally designated as air terminal services. These include transportation reservation services handled by Personnel Support Detachment personnel and transient passenger billeting handled by Bachelor Officer Quarters/Bachelor Enlisted Quarters personnel. As the PWS is be used worldwide, boilerplate terms and conditions are not addressed. Associated areas in contract management such as cost analysis and contract incentives are also excluded.

3. Assumptions

The discussion of the issues of Performance Work Statement formulation and PWS conversion to contract technical specifications as well as the draft PWS assume that the user, U. S. Government technical and contracting personnel or any prospective contractor offeror, has a general knowledge of the terms and language used in Air Terminal Services as well as an understanding of Department of Defense contracting language.

F. RESEARCH METHODOLOGY

The research methodology utilized in this study included an examination of the literature base through the Defense Logistics Studies Information Center (DLSIE), the Defense Technical Information Center (DTIC), and review of various journals and periodicals. Research topics included OMB Circular A-76, Performance Work Statements, and the federal acquisition process.

The resource data used in the standardized baseline Performance Work Statement for Air Terminal Services fell into the three broad categories of documentation, contracts, and interviews.

Documentation utilized included:

1. A copy of the current Navy/MAC MOU, the proposed revision to the current MOU, and comments on the revisions made by both Navy and MAC commands.

2. Copies of applicable portions of Navy regulations regarding air terminal services.

3. Copies of applicable portions of MAC regulations regarding air terminal services.

Air Terminal Services contracts reviewed included:

1. Naval Air Terminal, Rota, Spain.

2. Air Terminal, NSC Norfolk, Virginia.

3. Naval Air Terminal, Sigonella, Italy.

4. Naval Air Terminal, Naples, Italy.

5. Naval Support Facility, Diego Garcia.

Interviews of technical/supervisory personnel at both Navy and MAC headquarters and subordinate commands conducted included:

1. Naval Supply Systems Command: Director, Transportation Operations.

2. Headquarters, Military Airlift Command: Navy Liaison Officer.

3. Commander-in-Chief, U.S. Atlantic Fleet: Transportation Officer.

4. Commander, 21ST Air Force (MAC): Navy Liaison Officer.

5. Commander, 22ND Air Force (MAC): Navy Liaison Officer.

6. Naval Supply Center, Norfolk, VA: Air Terminal Officer.

G. ORGANIZATION OF THE REPORT

Chapter I. Introduction and Methodology.

This chapter provides an overview of Government policies concerning acquisition of commercial activities and the methods used to develop a standardized baseline Performance Work Statement for Air Terminal Services. The objectives of the research are discussed, the primary and secondary research questions identified, the scope, limitations and assumptions of the study are presented, and the research methodology delineated.

Chapter II. PWS Formulation.

Problems in the formulation of a Performance Work Statement are discussed in general and then related to specific issues addressed in the standardized baseline PWS in Appendix A. Also included in this chapter is the researcher's background in Air Terminal Services.

Chapter III. PWS Implementation.

The most common problems in conversion of a PWS to contract technical specifications are discussed in general and then specifically applied to Appendix A. Quality Control and Quality Assurance Surveillance issues are identified and addressed. A general discussion of the Government's contracting philosophy for acquisition of commercial sector services is included. Because the standardized baseline PWS in Appendix A is necessarily generic and will not apply to any individual Air Terminal in its present form, modification recommendations and functional interface requirements are also identified in this chapter.

Chapter IV. Principal Findings, Conclusions, and Recommendations

The results of the research effort are summarized in this chapter. Four principal findings and conclusions are presented. Three recommendations for improvement of the PWS formulation process are then suggested.

Appendix A. Performance Work Statement for Air Terminal Services.

This appendix provides the standardized baseline PWS for Air Terminal Services at Navy-operated MAC aerial ports. It is composed of four major areas (General Requirements, Passenger Services, Cargo Handling Services, and Ramp/Fleet Services) and five Technical Exhibits.

Appendix B. Memorandum of Understanding Excerpts.

The Memorandum of Understanding between the Chief of Naval Operations and the Military Airlift Command contains provisions for all airlift support services provided by the Department of the Navy to the Military Airlift Command and forms the basis for Navy airlift support requirements. Those provisions upon which the PWS was based are provided in this appendix both to acquaint the user with the requirements and to alert the user to the impact of any MOU changes to the PWS itself. The excerpts are taken from the

Memorandum of Understanding between the Chief of Naval Operations and the Military Airlift Command dated 26 June 1980, updated with the latest modifications from the Chief of Naval Operations (OP 414C) letter of 31 August 1984.

II. PERFORMANCE WORK STATEMENT FORMULATION

A. BACKGROUND

Prior to entering the Naval Postgraduate School, the author was assigned as Air Terminal Officer (ATO) at the Naval Air Terminal, Naval Air Station, Sigonella, Sicily. At Sigonella, contractor personnel constituted the majority of the Air Terminal Services workforce. This was due primarily to the in-theater end strength ceilings under NATO agreements. The total workforce at the disposal of the Air Terminal Officer included thirty-five U.S. military personnel and one hundred and forty Italian national contractor personnel. The contract value was over four million U.S. dollars annually and was in the final option year of the contract at the time of the researcher's arrival.

Due to extraordinary growth in logistics volume through Sigonella, a major revision of the contract was required prior to solicitation for the follow-on period. Since he had no previous experience in either the field of air logistics or MAC operational procedures, the researcher spent many agonizing hours attempting to modify the current contract both to expand the scope to specify new functions and to make the follow-on contract more technically correct. Additional experience in the field of air terminal services during the remainder of the two year tour and over a year of courses in acquisition/contract management at the Naval Postgraduate School have convinced the writer that the resultant follow-on contract, under which Sigonella is now operating, is at best only adequate.

As a member of a Naval Supply Systems Command evaluation team for Air Terminal Services, the researcher again became involved in a review of contract specifications. During the evaluation, it became evident that although the specifications adequately portrayed the Performance Work Statement (PWS), the PWS was incomplete, legally unenforceable, and virtually impossible to administer. The inadequacy of the PWS was due primarily to the inexperience of the responsible officer in the technical area of Air Terminal Services, the compressed time frame allowed for the PWS formulation during the A-76 study, and the lack of a standardized baseline PWS.

The numerous difficulties encountered in the contract revision and the PWS evaluation prompted the researcher to investigate the problems of PWS formulation and the tools available to the technical manager for writing and administering a PWS. PWS formulation problems are identified and available PWS development tools are identified within this section. Department, service, or command instructions may also be valuable tools but are not addressed due to their limited application.

B. PROBLEMS IN PWS FORMULATION

1. Personnel Requirements

As was noted in the introduction, development of a performance oriented statement of work requires a wide range of skills. In addition, it requires either a baseline document for reference or an analytical technique for conducting the job analysis central to the PWS. Normally, the official assigned to write the PWS is the officer in charge of the function subject to the A-76 study. It can be reasonably expected that this official will possess the technical expertise required for the PWS drafting, and possibly even a certain amount of experience in the function. In rare instances, the official may even have contracting experience or have previously participated in an A-76 study. However, baseline documents are available only in certain limited areas and can be useful only as guides as each operation is unique in some respects.

The writer recommends a PWS formulation team approach as a possible solution for accumulation of the required disciplines. However, formation of the team from locally available personnel assets places an unwarranted and severe strain on the personnel involved in the A-76 study in addition to their normally assigned duties. A permanent A-76 study team, augmented by technical personnel from the functional area under review, is a better alternative if the workload and manning of the geographical area justify this dedication of assets [Ref. 4].

Another viable alternative would be the contracting for PWS drafting services by a commercial consulting group. This approach would result in savings of government personnel assets. However, the writing of the PWS for PWS drafting services may require greater effort than for the function itself.

2. Time Compression

A great amount of time is required for any A-76 study, from PWS drafting to the contracting out/in house retention decision. The A-76 process of PWS formulation, contract solicitation, cost comparison studies, and source selection takes months, even years, to complete, especially for diverse or highly technical functions.

The first major milestone in the A-76 process is the PWS draft. No other part of the study can begin until the PWS is complete; therefore, there is pressure to complete the PWS draft at the earliest possible date [Ref. 5]. The time compression places either real or perceived pressure on the responsible official or team to finalize a product so that a solicitation can be prepared and the A-76 study can proceed. The emphasis then shifts from a complete and technically correct PWS to a PWS that can be drafted in the minimum amount of time. The resulting document forms a poor baseline for contract technical specifications and requires that several contract modifications or amendments be generated during the solicitation and award process. The costs induced by these changes more that offset for any savings accrued during the PWS formulation phase. Sufficient time to prepare a valid and complete PWS must be allocated to the PWS formulation team from the very outset of an A-76 study.

3. Level of Performance Identification

The purpose of a performance-oriented statement of work is the specific identification of the work to be performed by the contractor. The scope of the effort may be addressed at either the general (performance specifications) or the specific (design specifications) level, depending on the requirements of the function involved.

a. Performance Specifications

If the output of the work effort can be easily identified and quantitatively measured, the preferred method of performance specifications should be utilized. The PWS would list the general tasks to be performed and identify the work output measurements to be monitored by the U. S. Government. Performance specifications allow the contractor(s) the flexibility to develop proposals which provide the maximum competitive edge through promoting operational efficiencies. Extreme care must be taken when writing the PWS to avoid the use of such output standards as "maximum efficiency" or "minimum time" in the description of work as terms such as these provide significant interpretational latitude and can lead to successful contractor litigation in the event of failure to perform or default termination [Ref. 6].

b. Design Specifications

In highly technical or rigidly regulated areas, such as Air Terminal Services, an alternate method of writing design specifications is required. In design specifications, the work effort is specified in detail, providing the contractor(s) with little cost or technical flexibility.

This approach effectively shifts the risk of effective output onto the U. S. Government. If the contractor performs to the design specifications, the work is acceptable, regardless of the effectiveness of the output.

Concerns for safety and standardization of work at multiple locations at times require the use of design specifications. The PWS formulation process for design specifications will be lengthy both in time requirements and in the length of the finished product. The effort necessary to prepare design specifications should not be underestimated due to the extensive research into required regulations, instructions and directives.

4. Scope of Work

The scope of the function under the A-76 study must be specified at the outset. After the scope of the function is identified, the specific areas to be included in the PWS must be agreed upon by the entire PWS formulation team. For example, the function of Air Terminal Services includes the major subfunctions of the Air Terminal Operations Center, Air Cargo, Aircraft Marshalling, Passenger Services, Fleet Services, and Automated Data Processing. Selection of the areas that will be the subject of the A-76 study and the areas which will be retained in house for security or mobility purposes is an important early decision for the PWS formulation team.

Identification of the functions currently performed by the Government personnel in the identified areas is not sufficient to define a PWS. Many functions auxiliary to the area tend to be assumed by the organization over the course of time. Also, required functions which are not currently performed due to waiver or lack of personnel or expertise must be addressed for inclusion in the PWS. Civilian personnel Position Descriptions (PD) are inadequate for similar reasons. Each function must be reviewed in depth to specify not just what is currently being accomplished but also what is required by law, regulation, directive, or instruction.

Performance Work Statement formulation requires specific delineation of work inputs, processes, and outputs as follow.

a. Work Input Identification

The work inputs are those resources needed to perform the required services, including both physical and personnel assets. Input levels to provide minimum adequate services to meet the required standards set in the PWS must be determined as the cost comparison guideline. This level of input normally equates to the Most Efficient Operation (MEO) manning of the function. Any U. S. Government furnished services, equipment, or facilities must be specified in detail, as well as any additions or deletions of U. S. Government furnished assets anticipated during the life of the contract. Personnel requirements should contain skill levels and current personnel authorizations but may not contain a specific number of personnel which must be allocated to perform any required service. [Ref. 3:p. 22]

b. Work Process Identification

The PWS formulation process requires that specific work processes be identified. The nature of the services performed determines whether design or performance specifications should be utilized. As a general rule, the greater the commonality between the required services and those routinely accomplished within the private sector, the greater the potential for use of performance specifications.

c. Work Output Identification

When the Government performs a service in-house, it not only generates a work output but also produces the output to meet standards at some acceptable quality level. The PWS must present the Government's actual minimum requirements. The PWS formulation team must strictly avoid demanding more from a contractor than the Government would provide if it performed the function in-house. Standards for services are provided by regulation or historical performance levels, and must be identified with each work output. The PWS formulation team must also select critical performance indicators from the PWS so that outputs can be measured in the Quality Assurance Surveillance Plan or Performance Requirements Summary (PRS). Using both the standards in the PWS and the performance indicators from the PRS, the Quality Assurance Evaluator can determine if an output meets specified acceptable quality levels. [Ref. 3:p. 28]

Definition of work outputs is possibly the most difficult task facing the PWS formulation team. A quantifiable output and an Acceptable Quality Level (AQL) are required for quality assurance evaluations. A 100% quality level, which equates to an AQL of 0%, may be the required standard by regulation. To be legally enforceable, however, a AQL of zero must be attainable, as evidenced by a review and analysis of historical in-house performance data. Identified standards for contractor Acceptable Quality Levels must continually be validated as both attainable and applicable to the level of services involved.

5. Quality Assurance

The final Performance Work Statement must contain both a performance-oriented statement of work and a quality assurance surveillance plan or Performance Requirements Summary (PRS). The PRS portion of the final PWS is absolutely critical to contractor quality assurance and forms the basis of the Government's Quality Assurance Surveillance Plan. Extreme care must be exercised in this area to ensure that requirements are legally enforceable in the case of failure to perform or default determination [Ref. 6].

a. Surveillance Methods

The surveillance of contractor performance must be consistent, accurate, and strictly in accordance with the surveillance plan and the PRS. The actions or inactions of the U. S. Government Quality Assurance Evaluators (QAE) during the surveillance process are the basis of much successful contractor litigation in cases of failure to perform and default termination [Ref. 6]. The most commonly used and the most litigatively hazardous method of QAE contractor surveillance is performance sampling in accordance with MIL-STD 105E. Performance sampling involves selection of a representative portion of identified work output and comparison of these outputs with required standards and Acceptable Quality Levels. If used properly, performance sampling can be an effective and efficient tool to monitor contractor performance. Experience in contract litigation, however, shows that most QAE's lack the training and qualifications to select appropriate attributes, determine lot or sample sizes, or calculate sample errors. Any error in the sampling process will invalidate any U. S. Government case for failure to perform [Ref. 6]. The alternate method of 100% inspection can be time consuming and pose high QAE personnel requirements but may pose less litigative risk.

Critical areas of contractor performance must be identified, along with an Acceptable Quality Level for each area, during PWS formulation. Careful selection of the minimum number of critical areas should be a priority of the surveillance plan draft. The lower the number of contractor output areas, the lower the workload for the QAE and the lower the litigative risk of QAE procedural error. Identification of critical areas which can be monitored using available records and reports as opposed to observation of contractor personnel or inspection of finished output is a critical attribute of a workable QAE surveillance plan. As an example, the Air Terminal Services PWS, Appendix A, uses eight (8) critical required services in the PRS (Technical Exhibit 1) all of which may be monitored using currently required records and files.

b. Contractor Quality Control Plan

Government policy requires that the contractor be held responsible for quality control of the work output, both in services and products. The contractor should be required to submit a quality control plan to the Contracting Officer either prior to source selection evaluation or to commencement of contract performance. This quality control plan should be compared with the PRS to note significatant deviations or deletions. The goal of this comparison is to ensure that the contractor is devoting effort in the quality control plan to the same areas identified in the PRS for QAE surveillance.

c. Warranty of Services

The PWS formulation team should ensure that a warranty of services clause is included in all solicitions and contract awards as a result of the PWS. This clause provides the Government with certain legal rights regarding the rework of defective or deficient services identified during contract performance. It is important to note that the warranty is only as good as the description of work and standards in the PWS and PRS.

Incomplete specifications and inapplicable standards will normally result in successful contractor litigation [Ref. 6].

C. PERFORMANCE WORK STATEMENT TOOLS

1. OMB Circular A-76 Supplement

The primary reference for the writing of Performance Work Statements is Part II of the Office of Management and Budget Circular A-76 Supplement dated October, 1980 (also published as Office of Federal Procurement Policy Pamphlet #4), "A Guide for Writing and Administering Performance Statements of Work for Service Contracts". This document describes a systematic means for developing statements of work and quality assurance surveillance plans. It describes how to write and use these documents, tells how to write performance into statements of work, and implements policy concerning contracting out for services. It is written for the mid-level managers who write the documents and for contracting personnel who review and administer service contracts. Parts of it also apply to quality assurance evaluators who use the PWS and surveillance plans. [Ref. 2:p. i]

This guide [Ref. 2] is, at times, difficult to utilize without some job analysis background. It is, however, the best available guide to Performance Work

Statement formulation. The job analysis method is excellent for the first time PWS writer and is comprehensive in all respects. The one area of concern should be the identification of interfaces between functional areas as these are not readily highlighted through the job analysis approach.

OMB Circular A-76 Supplement, Part II, [Ref. 2] provides a systems approach to the writing of the PWS. The design of the PWS and the surveillance plan is based on a systematic analysis of the function to be put under contract. The procedure for deriving the PWS and surveillance plan is called job analysis.

In job analysis, the writer of the PWS begins with information on how the job is currently being accomplished by Government or contractor personnel and finishes with the performance that will be required of a prospective contractor. The Circular [Ref. 2] requires that the job analysis consist of the following steps.

a. Organizational Analysis

In this phase, the writer of the PWS reviews the current organization and identifies the services (outputs) that it provides.

b. Tree Diagram Preparation

A tree diagram is prepared to divide the function under study into its integral subfunctions, with each identified to an identifiable final work output.

c. Work Analysis

Each subfunction of the tree is broken down into its inputs, work processes, and outputs. Inputs are defined as the resources required to perform the subfunction. Work processes include the steps required to complete the subfunction. Outputs are the result of the subfunction which can be quantitively measured in some manner. During this phase, the writer, with the assistance of other members of the PWS formulation team, must decide what outputs that the prospective contractor will provide and what outputs will remain in house.

d. Data Accumulation

After identification of the subfunctions which will be performed by a contractor, the writer collects data on the type and amount of inputs required for the work processes in order to adequately produce the required output.

e. Performance Analysis

For each contractor-provided subfunction, the PWS formulation team must identify a performance value to be assigned (relative to other subfunctions assigned to the contractor), a method of measurement of the performance values, and a determination of applicable standards. The writer must also set an acceptable quality level for each standard. The team must ensure that all applicable laws, regulations, and instructions are identified.

Once the job analysis has been completed, a PWS can be formulated which should adequately document the requirements of the functions to be contracted out. The job analysis approach yields the benefit of a systems approach, resulting in a PWS and a Performance Requirements Summary (PRS) which are integrated around the same inputs, work processes, and outputs. The PWS and PRS should be written expressing the contractor required outputs in clear, simple, concise, and legally enforceable terms. The level of detail in the PWS is dictated by the type of function involved and the PWS formulation team must consider whether to quote from a mandatory regulation, refer to the regulation and incorporate it by reference, or paraphrase the requirements in performance (design specification) terms. [Ref. 3:pp. 12-14]

2. Standardized Baseline PWS Documents

For many commonly contracted out functions, such as janitorial services or building painting, a standardized baseline PWS has been developed. These baseline documents are available through the Defense Technical Information Center and the Defense Logistics Studies Information Exchange. These documents are valuable references and the exact language should be incorporated in the PWS under development to the maximum extent possible as these baseline documents have been subjected to extensive legal and operational reviews.

The baseline documents will normally not be applicable to the PWS under development without some degree of tailoring to the local situation. Certainly the locations of performance, Government Furnished Equipment (GFE), facilities available to the prospective contractor(s), and local regulations will differ from the baseline document, due to its generic nature. The extent of the tailoring effort will depend on the identification of the mix of functions to be contracted out and the completess and applicability of the baseline document.

Similarly, the Air Terminal Services PWS, will not be applicable to any Naval Air Terminal in its current form but provides a set of PWS specifications which should be applicable to every Naval Air Terminal. The PWS formulation team must review the baseline PWS for its applicability to the PWS under formulation, adding additional subfunctions required, deleting any areas not intended for contractor performance, and identifying interfaces with in house personnel.

The areas for which currently available standard baseline Performance Work Statements have been prepared have been relatively simple and performance specification oriented. Appendix A provides a standardized baseline PWS for a function that is considerably more complex and very highly regulated. A design specification approach was therefore mandated and utilized.

Tailoring of the Air Terminal Services PWS, will require a significant effort on the part of the PWS formulation team due to the great number of Air Terminal subfunctions. The actual mix of subfunctions performed by contractor and Government personnel varies at individual terminals, depending on the number of U. S. Government military or civilian personnel available at the local area. The desired interfaces between the Cargo Handling, Passenger Services, and Ramp/Fleet Services functions covered under the PWS must be identified and integrated into the PWS prior to conversion into contract technical specifications. Specific interfaces which should be considered include the Air Terminal Operations Center (ATOC)/Airlift Command Post (ACP), the Automated Data Processing (ADP) Center, Load Planning, and Document Control. Areas which must be modified to reflect local station requirements include the Phase-In, Phase-Out time periods, monetary penalty amounts for failure to perform, Government Furnished Equipment (GFE) availability, Contractor Furnished Equipment (CFE) requirements, and minimum contractor on-station capacity for simultaneous aircraft handling.

III. PERFORMANCE WORK STATEMENT IMPLEMENTATION

A. PWS TO CONTRACT CONVERSION

After the PWS has been finalized and approved by management, the next effort will be accomplished primarily by contracting personnel. The PWS must be reformatted and turned into legally enforceable contract technical specifications. If the job analysis method of PWS formulation has been utilized and the PWS drafted in accordance with the OMB Circular A-76, Part II format, the conversion to contract technical specifications should involve simply rearranging and renumbering the PWS sections. The PWS formulation team should be reconvened after the completion of the PWS-to-contract conversion to review the draft contract solicitation document for completeness and adherence to the regulation and legal bases of the PWS.

The Contracting Officer is responsible for adding to the PWS requirements the required Federal Acquisition Regulation (FAR) clauses. These clauses cover such areas as contract disputes, contract changes, safety requirements, labor laws, and warranties. Required FAR clauses are normally referred to as contract "boilerplate" and form an integral and legally necessary part of the contract. The Contracting Officer must also construct a contract line item breakdown for contractor pricing proposals. The PWS formulation team should review these line items for measurability and identification. In the areas covered under the Air Terminal Services PWS, Appendix A, appropriate line items would be:

Passengers Processed

Cargo Handled (Tons)

Aircraft Handled

The Government's contracting philosophy differs from normal industry purchasing policy, even though both strive toward the goal of a quality service at a fair and reasonable price. The Government has certain unilateral rights based on its soverign status that are not available to commercial concerns. However, these do not directly impact the PWS formulation process. Other significant differences should be considered in the PWS formulation process for ease of PWS conversion to the contract solicitation. Three of the most important of these differences are in the areas of competition, contract duration, and social/economic goals.

1. Competition Differences

In commercial industry purchasing, good business practice, combined with the scarcity of raw materials and skilled subcontractors, has resulted in corporate strategic plans which encourage long term supplier and subcontractor relationships and use of multiyear contracts. These practices encourage supplier capital investment in modern energy-efficient machines that increase productivity, thus making low unit production costs possible for the industrial buyer. Three to five year contracts are increasingly common, and in some cases where investment risks are high, contracts for as long as ten years are being considered. [Ref 7:p. 115]

In Government contracting, competition for goods and services acquired from the private sector has been a long-standing policy, with the latest emphasis provided by the Competition in Contracting Act of 1984. This emphasis on competition, combined with the ongoing effort to contract out services to the private sector under OMB Circular A-76, has resulted in competition of contracts which were formerly negotiated with a long term sole source contractor. The trend appears to be toward competition at each contract expiration and with a greater number of prospective contractors. The competitive pricing pressures on the incumbent and prospective contractors should ensure adequate price competition for the goods or services.

The PWS formulation team must keep the competition requirements in mind while drafting the PWS. Specific processes or equipment types which involve the proprietary rights of certain contractors should be avoided to ensure that the contract solicitation will result in full and open competition.

2. Contract Award Differences

Award of U. S. Government contracts takes two primary forms depending on whether the procurement is conducted by an Invitation For Bid (IFB) used under sealed bid solicitations or by a Request For Proposal (RFP) used under negotiated procurement solicitations.

Under an IFB, the contractor(s) submit priced sealed bids to the Contracting Officer by a deadline specified in the solicitation. The Contracting Officer then holds a public bid opening, reads the bids at the opening, and makes the bids available for public review. The lowest priced bid by a responsible and responsive offerer is then awarded the contract.

Under the RFP solicitation, the contractor(s) submit separate cost/price and technical proposals to the Contracting Officer. After review of the technical proposals for adequacy, the Contracting Officer will hold negotiations with each prospective contractor in the competitive range and award the contract to the offeror with the lowest total cost to the U. S. Government, price and other factors considered.

Commercial practice is decidedly different. Industrial buyers are not required to hold negotiations or awards in the public spotlight. Head to head competition by prospective suppliers can be used to lower the unit prices, effectively auctioning the contract to the lowest bidder. In order to maintain a business relationship with a long term vendor, the commercial purchasing agent may simply award a follow-on contract without any form of competition.

Again the PWS formulation team must consider that the Contracting Officer must be fully open to each contractor and that proprietary requirements in the PWS may result in a certain contractor having a significant competitive advantage or even a sole source supplier status with respect to the solicitation for the services under the PWS. Care must therefore be exercised by the PWS formulation team to keep the PWS requirements as performance-oriented as possible.

3. Social/Economic Goals Differences

Many Government procurements are carefully tailored to meet legislated social or economic goals, at times at significant costs to the U. S. Government. Small Business set-asides, Labor Surplus Area advantages, and preferences for Minority Owned and Women Owned businesses are examples of programs designed to further social and economic goals that are implemented via Government procurement policies.

The industrial buyer has certain concerns for local area purchasing goals to enhance the corporate image in the community. These concerns are secondary, however, to the goal of long term availability of raw materials and components to the firm. [Ref. 7:p. 101]

The PWS formulation team has little responsibility for the social or economic goals to be supported by the procurement of commercial services under the PWS, other than support for the A-76 study. The PWS should be constructed with a concern for minimizing the contractor capital equipment and working capital requirements so as to allow sufficient encouragement for proposals by small business or disadvantaged business concerns.

B. COST COMPARISONS

After contractor proposals have been received by the Contracting Officer and reviewed for responsiveness, the A-76 study team must perform a cost comparison of the various proposals with the cost to the U. S. Government to retain the function(s) in house. Both the U. S. Government and commercial vendor cost estimates must be based on the same scope of work and standards of performance contained in the PWS [Ref. 8:p. I-11]. Accordingly, the PWS must reflect the inputs, work processes, and outputs to be performed by in-house or contractor personnel during the contract period. Cost comparisons must include all significant costs of both the Government and contractor performance. Common costs that would be the same for either in-house or contract operations need not be computed. However, the basis of these common costs must be identified and included in the cost comparison documentation [Ref. 8:p. I-12]. This cost comparison must be conducted in accordance with OMB Circular A-76, Part IV, "Cost Comparison Handbook" which contains detailed guidance on the analysis of both in house and commercial contractor proposal costs.

An important point in the cost comparison process is that the costs of performing the OMB Circular A-76 study, including PWS formulation, contract solicitation, and cost comparison independant reviews, are not considered as relevant costs of either in-house or contractor performance and are summarily excluded from any cost comparisons.

The identification of penalties for failure to perform in accordance with the PWS may prove to be the most difficult part of a cost comparison within the Performance Requirements Summary. The consequences to Government personnel of failure to perform to standards are normally disciplinary in nature, whereas penalties for the contractor's failure to perform are necessarily quite different, normally financial in nature. Decisions as to the amount of financial penalties should be based on the reasonable costs to reperform the unacceptable services.

The in-house cost estimate must be based on the most efficient and in-house operation needed to accomplish the requirements in the performance work statement [Ref. 8:p. I-12]. The PWS formulation team will ensure that a management study has been performed to completely analyze the current method of operation and make whatever changes are necessary to establish the most efficient and effective in house operation. This will ensure that the PWS is based on the in-house Most Efficient Operation (MEO) in accordance with the requirements of OMB Circular A-76.

The commercial contract cost estimate is based on a firm bid or proposal competitively obtained in accordance with applicable procurement regulations. Bidders or offerors are informed in the solicitation that an in-house cost estimate is being developed and that a contract may or may not result. [Ref. 8:p.I-12]

After the in-house and commercial contract cost estimates have been established, these estimates are then compared and ranked, ensuring that common costs are strictly excluded. An existing in house activity shall not be converted to contract performance on the basis of economy unless the projected cost advantages to the U. S. Government is at least ten (10) percent of the in-house personnel-related cost for the period of performance. All cost comparisons must be reviewed by a qualified person from an impartial U. S. Government activity which is organizationally independent of the commercial activity being studied and the activity preparing the cost comparison. The independent review should substantiate the currency, reasonableness, accuracy, and completeness of the cost comparison. [Ref. 8:p. I-14] This includes assuring that the in-house cost estimate is based on the same performance work statement as that contained in the solicitation.

This independent review requirement again points to the necessity of a review of the contract solicitation document with the PWS by the team which formulated the PWS. Errors in the solicitation due to failure to include all portions of the PWS or inaccurate revision of PWS wording may invalidate the entire cost comparison and delay the A-76 study by months or years.

C. SOURCE QUALIFICATION

During the Contracting Officer's determination as to the responsiveness of prospective contractors, or at least by source selection, the PWS formulation team may be called upon to assist in contractor qualification. This assistance may be in the form of membership on a Pre-Award Survey team visiting the contractor's site or a part of the Technical Evaluation Board (TEB) evaluating the contractor's proposal. Source qualification is critical to a valid cost comparison and. more importantly, to ensuring that the prospective contractor(s) are capable of performing the functions called for under the solicitation.

As the writers of the PWS upon which the solicitation document was based, the PWS formulation team members are uniquely qualified to evaluate the capabilities of prospective contractors and should be made available to the Contracting Officer for both the PWS to contract solicitation conversion process and for source selection evaluation.

D. CONTRACTOR QUALITY CONTROL PLAN VALIDATION

The contractor is required to provide a Quality Control Plan (QCP) either as a part of the proposal or as a prerequisite to award during the Pre-Performance Conference. The plan is based on the critical performance factors listed in the PWS and resultant solicitation and forms the primary method of contract quality assurance. The QCP must be carefully compared to the U. S. Government Quality Assurance Surveillance Plan which is based on the PWS Performance Requirements Summary (PRS). This comparison is required to specifically determine that the U. S. Government surveillance methods and areas measured receive appropriate contractor quality control attention.

E. POST-AWARD CONTRACT ADMINISTRATION

The role of the PWS formulation team does not end with the cost comparison and source selection. Once the contract is awarded, there will be questions and clarification requests from the successful contractor. The

Contracting Officer or the designated Contracting Officer's Technical Representative (COTR) retains the legal authority and responsibility to respond to the contractor; however, the Contracting Officer or COTR do not necessarily possess the requisite specific technical experience, legal background, or functional familiarity found within the PWS formulation team. The team members should remain available to both the Contracting Officer and the COTR to provide specific assistance throughout the duration of the contract. Of course, the majority of the questions should occur during the Phase-In period when the PWS formulation team members should be available for assistance on an on call basis.

IV. PRINCIPAL FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

A. PRINCIPAL FINDINGS AND CONCLUSIONS

The objective of this study was to identify the major problems encountered by Government personnel in contracting for services provided by the private sector. The principal findings and conclusions are derived from research into the literature base, personal interviews, and formulation of a standardized, baseline Air Terminal Services Performance Work Statement (PWS).

The primary problems which Government personnel encounter in contracting for services occur during the PWS formulation process. These problems include the lack of technical, legal, and contracting expertise required for drafting the PWS, the highly compressed time frames often required for PWS formulation, the inexact nature of identification of the level of performance specified in the PWS, the difficulties in attempting to separate functions to be contracted from those retained in-house, and the problem of drafting and executing Government Quality Assurance Surveillance Plans.

The available tools for development of a performance-oriented statement of work are limited to OMB Circular A-76 and standardized, baseline PWS documents. The Circular, Part II, is an excellent guide for functional input, work process, and output identification but lacks adequate guidance for specifying interfaces between functions. Standardized, baseline PWS documents are an invaluable tool but are available only in a very limited number of areas.

Implementation of a performance-oriented statement of work involves consideration of differences between Government and industry procurement policies and practices. Primary differences include level of competition, visibility of contract awards, and social/economic goals.

The work of a PWS formulation team does not end with the final PWS draft. The team can play crucial roles during cost comparisons, source qualifications, contractor quality control plan validations, and post-award contract administration.

B. RECOMMENDATIONS

Standardized, baseline PWS documents should be developed for all services routinely contracted out by the Government to the private sector. These documents can be developed under Government-sponsored research grants or by contracts for contractor support services.

A permanent A-76 study team should be assigned at the major command or geographical area level. This assignment will provide the necessary expertise for timely and professional A-76 studies. It will also allow identification of the significant costs associated with the A-76 study process which are currently not included in the cost comparisons.

OMB Circular A-76 Supplement, Part II, should be modified to include functional interface identification as part of the job analysis approach. This will assist in providing a more coordinated and complete PWS and correct the single significant shortcoming of the supplement.

LIST OF REFERENCES

1. U.S. Department of the Treasury, Bureau of the Budget, Bulletin 55-4, U. S. Government Printing Office, Washington, D. C., January 15, 1955.

2. Executive Office of the President, Office of Management and Budget, Circular No. A-76 (Revised), Subject: Performance of Commercial Activities, U. S. Government Printing Office, Washington, D. C., August 4, 1983.

3. Executive Office of the President, Office of Management and Budget, Circular No. A-76 (Revised), Supplement, Part II, A Guide for Writing and Administering Performance Statements of Work for Service Contracts, U. S. Government Printing Office, Washington, D. C., October, 1980.

4. Interview with Commander R. E. Elgin, SC, USN, Director of Transportation, Naval Supply Systems Command, Washington, D. C., September 5, 1985.

5. Interview with Lieutenant Commander R. J. McFetrich, USN, Air Terminal Officer, Naval Supply Center, Norfolk, Virginia, September 3, 1985.

6. Presentation by Mr. Jim Kehoe, Attorney-at-Law, at the American Society of Public Administrators Conference, Monterey, California, October 11, 1985.

7. Dobler, D. W., Lee, L., and Burt, D. N., Purchasing and Materials Management, McGraw-Hill, 1984.

8. Executive Office of the President, Office of Management and Budget, Circular No. A-76 (Revised), Supplement, Part I, Policy Implementation, U. S. Government Printing Office, Washington, D. C., August, 1983.

9. Office of the Chief of Naval Operations Letter 4630 Ser 414C/4U385648 to Headquarters, Military Airlift Command (Code LGX, 3440), Subject: Review of Proposed Changes to Memorandum of Understanding Between the Chief of Naval Operations and the Military Airlift Command, 31 August 1984.

10. U. S. Department of the Navy, Chief of Naval Operations, and U. S. Department of the Air Force, Commander, Military Airlift Command, _Memorandum of Understanding (MOU) Between the Chief of Naval Operations and the Military Airlift Command_, 26 June 1980.

APPENDIX A

PERFORMANCE WORK STATEMENT

AIR TERMINAL SERVICES

NAVY-OPERATED MILITARY AIRLIFT COMMAND AERIAL PORTS

A. GENERAL

1. Scope of Work

The contractor shall furnish all personnel, equipment and supplies, except as specified herein as U. S. Government furnished, to provide the services as defined in this Performance Work Statement (PWS). Performance will be according to the standards contained herein and the mandatory directives listed in Technical Exhibit 1. The contractor is responsible for payment of any or all overtime incurred as a result of meeting the performance requirements of this PWS. Services will be provided on a 24 hour per day, 7 days per week basis.

2. Personnel

The contractor will furnish sufficient full-time, paid, supervisory, administrative, and direct labor personnel to accomplish all work required by this PWS. All employees are required to be able to communicate in both the English language and the language of the local area, if applicable. Supervisory personnel are required to read, understand, and communicate in the English language.

a. Project Manager

The contractor shall provide a competent manager on the job site at all times during normal working hours (24 hours per day, 7 days per week) who shall have written authority to speak and act for the Contractor. This project manager shall act as Air Terminal Services Supervisor, be responsible for the overall management and coordination of services provided under this PWS, and act as the central point of contact with the U. S. Government. Prior to commencement of any contract resultant from this PWS, the contractor shall advise the Contracting Officer's Technical Representative (COTR), in writing, the names of the designated representatives of the contractor on the job site. Any changes in the representatives shall be furnished to the COTR, in writing, prior to making any such changes. When contract work is being performed at alternate locations, or when the project manager cannot be present, an equally responsible individual shall be designated to act for the project manager and identification of such designations shall be made to the Air Terminal Operations Center/Airlift Command Post Supervisor.

b. Employees

In the interest of good taste and safety, all contractor employees shall be required to wear the type of clothing that is worn by their counterparts in business and industry. In the warehouses and other industrial areas, clothing and shoes must conform to applicable national, state, local, and military safety regulations. The contractor shall be responsible for the supervision and conduct of all employees. All contractor personnel will be required to obey all of the rules and regulations of the station while performing functions under this PWS and while transiting to and from Air Terminal areas. The contractor shall not allow any employee to possess, sell, consume, or be under the influence of intoxicants, drugs, or substances which produce similar effects, while performing duties under this PWS.

(1) Employee Roster. Prior to the start date of any contract resulting from this PWS, the contractor shall submit to the COTR a roster of all employees with citizenship status, social security number (if applicable), certification status, employment dates, and training records. The contractor shall be responsible for maintaining the roster in a current status and providing updated copies to the COTR not less than on a monthly basis.

(2) Removal of Employees. The contractor must agree to remove from the work site, any individual whose continued employment is deemed by the U. S. Government COTR to be contrary to the public interest or inconsistent with the best interests of national security.

(3) Employee and Vehicle Passes. The contractor and all employees shall obtain the required employee and vehicle passes to enter U. S. Government property. All contractor vehicles shall have qualified operators possessing appropriate licenses as required by national, state, and local military laws. The contractor shall be responsible for ensuring that all employees observe all laws, ordinances, statutes, and station regulations while on the station. The contractor will, prior to the start of any contract resultant from this PWS, submit to the COTR an estimate of the number of personnel expected to be utilized at any one time while fulfilling the requirements of this PWS. The U. S. Government will issue badges and vehicle passes without charge. Each employee shall wear the U. S. Government issued badge over the front of outer clothing. When an employee leaves the contractor's service, the contractor is responsible for returning the employee's pass and badge to the COTR within three days of termination of employment.

c. Directives and Regulations

All applicable Department of Defense (DOD), Secretary of the Navy (SECNAV), Chief of Naval Operations (OPNAV), Military Airlift Command (MAC), and other directives, instructions, and regulations are listed in this PWS and will constitute the minimum technical library for which the contractor is responsible. The contractor and all employees shall become acquainted with and obey all U. S. Government regulations as posted or as requested by the COTR, including safety and fire prevention.

d. Security Requirements

The contractor shall comply with all Navy, MAC, and local national security requirements. Deviations from, or violations of, any of these requirements may, in addition to all other civil and criminal remedies provided by law, subject the contractor to immediate termination for default and/or the withdrawal of the U. S. Government's acceptance and approval of employment for any/all individuals involved. Security violations will be reported to the Air Terminal Officer or his designated representative immediately after discovery.

(1) Disclosure of Information. Neither the contractor nor any of the employees will disclose or cause to be disseminated, any information concerning the operations of the Air Terminal or station which could result in, or increase the likelihood of, the possibility of a breach of the station's security, or interrupt the continuity of its operations. Disclosure of information relating to the services contained in this PWS to any person not entitled to receive it, or failure to safeguard any classified or sensitive information that may come to the contractor or any employee in connection with work covered under this PWS, may subject the contractor, his

agents or employees to criminal liability under Title 18, Sections 793 and 798 of the United States Code.

(2) Inquiries, Comments, or Complaints. The contractor shall direct any inquiries, comments, or complaints to the COTR if the resolution of these matters requires the dissemination of information. These inquiries could arise from any matter observed, experienced or learned, or as a result of or in connection with the performance of services under this PWS.

e. Access to Buildings

The contractor shall have access to Air Terminal buildings on a 24 hour per day, 7 days per week basis in performance of duties under this PWS. It shall be the contractor's responsibility, through the COTR, to obtain access to various buildings and arrange for the buildings to opened and closed. The contractor shall allow unlimited access to the assigned operating areas during operational hours to the COTR and Air Terminal Officer (ATO), or their designated representatives. The contractor shall retain the discretionary right to provide escorts to accompany the COTR/ATO in contractor-operated areas.

f. Contractor Vehicles

Contractor vehicles will be maintained in a clean, safe, and orderly condition. All drivers and operators will be licensed as required by national, state, and local military laws and regulations. Each contractor vehicle shall show the contractor's name so that it is clearly visible and shall, at all times, show a valid national or state license plate and appropriate state inspections stickers, as required. These requirements also apply to all subcontractor and leased equipment and vehicles.

g. Safety Requirements

The contractor shall ensure that all employees are properly trained in, and are fully aware of, the hazards associated with their assigned duties prior to permitting commencement of employee work.

(1) Employee Safety. The contractor shall provide to each of his employees both employment and a place of employment which is free from recognized hazards. It shall be the responsiblity of the contractor to establish and maintain an effective and comprehensive safety program which complies with the provisions of the local national Occupational Safety and Health Act (OSHA). For contracts resultant from this PWS which are to be performed within the United States or its territories, the contractor is required to give particular attention to OSHA Standards 1910, 1918, and 1919 to acquire, maintain, and require the use of safety equipment, personal protective equipment, and devices necessary to protect employees. Prior to commencement of work, the contractor shall submit a Safety Plan to the COTR for review and approval. In

addition, the contractor shall ensure employee compliance with all local national, Navy, MAC, and locally developed safety and health related standards and directives. The contractor shall designate a safety and occupational health representative who shall be knowledgeable of all required standards and instructions. This contractor representative shall perform functions such as safety inspections, accident reports, etc.

(2) Compliance with Safety Regulations. In the event that the contractor fails or refuses to comply promptly with safety requirements, the COTR may issue a Stop Work Order, effectively stopping all or part of the work under this PWS until satisfactory corrective action has been taken by the contractor. No part of the time lost due to any such Stop Work Order shall be made subject to claim for time or for excess costs.

(3) Accident Reports. The contractor shall maintain an accurate record of, and shall report to the COTR in the manner and on the U. S. Government furnished forms prescribed by the COTR, specific data on all accidents. The contractor shall also report all accidents to the station Safety Officer within four hours of occurance.

h. Damage/Loss of Contractor's Property

The U. S. Government does not assume any liability for loss due to fire, theft, accident, or any other cause not related to the condition of the facility and/or negligence of the U. S. Government or its employees, resulting in damage to or loss of the contractor's stored supplies, materials, equipment, or personal property or belongings of contractor employees. The contractor shall notify the COTR, in writing, when the facilities are in need of repair for security, health or safety reasons.

i. Emergency Medical Care

The contractor shall be responsible for the on-the-job medical needs of employees. Lifesaving humanitarian medical services will, however, be provided by the U. S. Government to the maximum extent available through local station medical facilities. The contractor will reimburse the U. S. Government for all medical services provided upon receipt of a statement from the COTR. Payment will be made directly by the contractor or by reduction of the monthly invoice amount for services rendered under this PWS.

j. Damage Reports

In all instances where U. S. Government property and/or equipment are damaged by the contractor or contractor employees, a full typewritten report of the fact and extent of such damage shall be submitted by the contractor to the COTR within 24 hours following the occurance of such damage. In those cases of damage where the investigation reveals negligence on the part of contractor employees, the contractor is responsible for reimbursement to the U. S. Government for repair of damages. No replacement equipment/property will be provided for the contractor's use in such cases while repairs are being completed.

k. Physical Requirements

All contractor personnel may be required to perform repetitive, tiring work for long periods, without breaks. The work involves frequent standing, bending, stooping, and reaching. In addition, contractor personnel are required to continuously lift, carry, and use tools, materials and items weighing up to about 70 pounds, and sometimes lift and move heavier items.

(1) Physical Fitness Exam. The contractor shall furnish to the COTR evidence that a physical fitness exam has been conducted for all contractor employees, and proof that all contractor employees have met the requirements of the test.

(2) Physical Exam. The contractor shall be responsible for the physical examinations of his personnel assigned to functions under this PWS. The physical examination is required to assure that all employees are in good physical condition and can perform the required services of this PWS. The contractor shall furnish to the COTR evidence that a physical exam has been conducted, and

proof that all contractor employees that have met the physical requirements of this contract.

1. Contractor Supervision

The contractor shall provide all supervision required under this PWS as follows:

(1) Supervisory Personnel. The contractor shall employ a sufficient number of supervisory personnel to ensure that adequate and competent supervision is provided continuously for all work accomplished by the contractor and to assure performance and accomplishment in strict compliance with the the provisions of this PWS. The contractor shall provide adequate communication equipment to perform the supervisory requirements of this PWS, including provision of a local telephone number that is answered 24 hours per day, 7 days a week, at which the contractor can be notified of emergent work requirements.

(2) Telephone. A telephone (Class "C" service) will be provided at the on-site contractor offices by the U. S. Government. A contractor employee shall be assigned to answer this telephone during all normal working hours and shall be able to contact the Air Terminal Services Supervisor at all times. This telephone will be used for conducting official contract-related business only.

(3) Paging System. The contractor shall provide a paging system that will be answered at all times throughout normal business hours for the Project Manager

and each major functional area functional manager. A list of all employees with a pager shall be provided to the COTR and shall include name, position, and paging system contact number.

(4) Coordination with Other Contractors. Contractor supervisory personnel will cooperate and coordinate with other station contractors as directed by the COTR/ATO, in order to promote efficient utilization of labor and resources. The contractor is directed to report in writing to the COTR for resolution, any scheduling conflicts or problems which may arise in coordination with other station contractors.

(5) Supervisory Experience. All contractor managerial and shift supervisors must demonstrate in writing to have a minimum of two years specialized experience, either in the U. S. Government or commercial aviation,in the areas set forth in this PWS. These personnel must demonstrate in writing that they have had specialized experience in workloads of at least one-half of the workload cited in this PWS. This information will be used by the U. S. Government to determine the contractor's experience and capabilities in the area of Air Terminal Services operation and management, and will be subject to validation during any scheduled pre-award survey. In the event that a pre-award survey is not held, validation may be conducted during the pre-performance conference.

m. Adverse Weather Conditions

During adverse weather conditions, the contractor shall perform operations in accordance with this PWS and shall formulate contingency plans for rotation of personnel to maintain all required services. This contingency plan shall be developed prior to any contract start resultant from this PWS and shall be submitted to the COTR for approval prior to accomplishment of any work.

3. Quality Control/Quality Assurance

a. Quality Control

The contractor shall establish a complete Quality Control Program to assure the requirements of the contract are provided as specified in this PWS. One copy of the contractor's Quality Control Program shall be provided to the Contracting Officer at the Pre-Award Survey or at the Pre-Performance Conference when a Pre-Award Survey is not held. An updated copy must be provided to the Contracting Officer, the COTR, and the ATO on the contract start date and as changes occur. The program shall include, but not be limited to, the following:

(1) Inspection System. An inspection system covering the services stated in Technical Exhibit 1, Performance Requirements Summary (PRS). It must specify areas to be inspected on either a scheduled or an unscheduled basis, and the individual's title who will accomplish the inspection.

(2) Deficiency Identification. A method for identifying deficiencies in the quality of services performed before the level of performance becomes unsatisfactory.

(3) Inspection Files. A file of all inspections conducted by the contractor and the corrective actions taken. This documentation shall be available to the U. S. Government representatives during the full term of the contract resulting from this PWS.

b. Quality Assurance

The U. S. Government shall monitor the contractor's performance under any contract resultant from this PWS using the quality assurance procedures specified in Technical Exhibit 1, or such other procedures as may be necessary to ascertain contractor compliance with the requirements contained herein.

c. Performance Evaluation Meetings

The contractor's project manager(s) shall meet with the COTR weekly during the first month of the contract, more often if considered necessary by either the COTR or ATO. The COTR may require the Contracting Officer's presence at these meetings. Meetings shall be held as often as necessary thereafter and at the discretion of the COTR, but will normally be held at least monthly on a formal basis. A meeting will be scheduled immediately after a Contract Discrepancy Report (CDR) is issued by any

U. S. Government agent. A mutual effort will be made to resolve all problems identified. The written minutes of these meetings shall be signed by the contractor's project manager(s) and the COTR. Should the contractor not concur with the written minutes, the contractor shall so state in writing to the COTR any areas with which the contractor does not concur.

4. Phase-In Phase-Out (PIPO) Services

a. Phase-In Services

The contractor shall assign key management and supervisory personnel to each of the major work areas for a period of 30 days prior to commencement of any contract resultant from this PWS. The remaining contractor employees shall report on-board 15 days prior to contract commencement. The contractor's personnel shall observe the methods and procedures being used and shall use this time to perfect the contractor's operations procedures.

b. Phase-Out Services

Upon termination of any contract resultant from this PWS, the contractor shall be required to provide the same PIPO services to a successor, and the contractor must also provide his best efforts and cooperation in order to effect an orderly and efficient transition to a successor.

(1) Phase-Out Plan. The contractor is required, upon written notification by the Contracting Officer, to provide PIPO services from 30-90 days after the

period of performance specified in any contract resulting from this PWS. After notification, the contractor is required to negotiate in good faith with a successor in determining the nature and extent of the PIPO services in a mutually acceptable, detailed plan for PIPO operations. The plan shall specify a training program and specify a date for shifting the responsibility to the successor for each division of work set forth in this PWS, and shall be subject to the approval of the Contracting Officer. The contractor shall provide sufficient experienced personnel during the PIPO period to ensure that the services called for by this PWS, and any resultant contract, are maintained at a high level of proficiency.

(2) Phase-Out Costs. The contractor shall be reimbursed for all reasonable Phase-Out costs (those costs accruing within the agreed period after the contract expiration which result from PIPO operations), and shall receive a fee (profit) not to exceed a pro rata portion of the fee (profit) under the original Air Terminal Services contract.

(3) Cooperation with Successor. The contractor is required to cooperate with the successor, whether it be the U. S. Government or another contractor, in allowing as many personnel as practicable to remain on the job in order to enhance the continuity and consistency of the services called for by this PWS. Toward that end. the contractor

must agree to disclose necessary personnel records and to allow its successor to conduct on-site interviews with its employees. It any contractor employee is agreeable to the change of employer and are accepted by the successor, then the contractor shall be required to release the employee at a mutually acceptable date and shall, in good faith, negotiate the transfer of any earned fringe benefits with the successor.

5. Contractor Security Responsibilities

a. Security Service

The contractor shall furnish Protective Security Service (PSS) and Signature Security Service (SSS) in accordance with DOD Manuals 5220.22-M and C, Safeguarding of Classified Information and the Carrier Supplement to the DOD Manuals, as well as Navy, MAC, and local directives and instructions.

(1) Contractor Security Service Manual. The contractor shall prepare a Security Service Manual for use by Air Terminal Services personnel in implementing Signature Service procedures, and shall submit one copy of this manual to the COTR for review and approval. Signature service material will be secured in a closed and locked area when awaiting shipment (security cage). Security areas and their use will be accordance with DOD Manual 5220.22-M, Part 3-2, paragraph d. When classified material is to be transported to other than military-furnished

aircraft or surface vehicles, the following requirements shall apply:

(a) Employee Clearances. Consistent with DOD Manual 5220.22-M, paragraph 17c(5)-(a), designated contractor employees must be cleared to handle and process sensitive shipments up to the level of SECRET on a 24 hour per day, 7 days per week basis. Contractor personnel responsible for receiving and for the protective custody of classified materials will be required to carry identification cards in accordance with DOD Manual 5220-22-M, paragraph 8.

(b) Signature Service Movements. The contractor shall not use any commercial concerns to effect pick up and/or deliver for onward movement of Signature Service materials except by authorized and cleared subcontractors or authorized and cleared concerns, including U. S. Government officials, performing service in and for the Air Terminal.

(2) Closed Areas. All security service materials must be given personalized, special handling and must be stowed in designated security areas (security cages). The designated security areas will be designated and referred to as closed areas.

(3) Security Custody Log. A contractor provided permanent Air Terminal security custody log shall be maintained for purposes of transferring custody of

security service material between contractor personnel occasioned by a shift change. This log will include time of the custody change and a detailed inventory of security service material under custody. If, for any reason, security service material cannot be stored in the closed area, such as palletized, staged, or onload movement, the materials must be located so that constant, dedicated visual surveillance is provided by a cleared and responsible employee.

b. Security Freight

Contractor personnel shall provide a receipt to the delivering carrier by signing the shipment document for security freight. The last copy of the form will be given to the delivering carrier's agent. This signature on the shipment document is evidence that the contractor employee acknowledges that the shipment is security cargo and will be processed accordingly. The original signed copy of the shipment document will remain with the shipment for processing and filing by the Document Control Section. The material will be placed in the security closed area immediately upon receipt and logged on the security service log. The contractor is responsible for preparation of the AF Form 127, Traffic Transfer Receipt Document, for further processing purposes by the Load Planning Section and the later custody transfer of the shipment to the aircraft loadmaster.

(1) SECRET Materials. SECRET shipments will only be handled by or accessible to personnel having a SECRET clearance. These personnel, including military and commercial air crews, will have identification cards showing their level of security clearance. These cards must be shown in order to accept custody of any SECRET materials. All persons taking responsibility for the materials, including air crews. must sign for the specific shipment. Crew members or personnel accepting responsibility for classified material are entitled to retain a copy of the AF Form 127. Loading crews must exercise extreme care in palletizing this freight so that all personnel required to sign for the material can easily identify and count the pieces in the shipment without having to break the pallet. Agents at crew change points will accept and receipt for materials from the inbound crew and release and obtain receipts from the outbound crews, if the outbound crew is not available when the inbound crew is ready to depart the Air Terminal. Material escorted by courier(s) is exempt from Air Terminal security service requirements; however, the contractor is responsible for assisting the courier in movement of the materials, if so requested and approved by the ATOC/ACP. Outbound courier materials will be loaded in such a manner that the courier can easily maintain surveillance over the entire shipment at all times.

(2) CONFIDENTIAL Materials. CONFIDENTIAL shipments may only be handled by personnel holding a clearance no lower than CONFIDENTIAL and designated to handle SSS shipments. Hand-to-hand receipt between contractor personnel and the consignee, and/or their designated representative (including commercial and military carriers) is required. The COTR will monitor the contractor's performance and procedures in handling classified shipments on a strict and continuing basis. Any violations of security procedures or loss of security service materials will be referred to the appropriate investigative service for action.

6. Contractor Training Requirements

a. Equipment Operator Training

The U. S. Government will provide a training facility and a qualified instructor to fully train and license contractor personnel in the operation, servicing, and safety of all 463L aircraft loading equipment as prescribed in AF Manuals 52-4, 67-3, 77-2, and AF Regulation 127-101. This training will consist of 40 hours of classroom and on-the-job training and will be provided to all contractor personnel at initial contract start-up. In addition, this training will be offered to all new contract personnel brought onboard after contract start-up as scheduled through the COTR. Refresher training will be scheduled annually.

(1) Written Test. Written tests will be given and must be passed by all operators of U. S. Government furnished, and selected contractor furnished, materials handling equipment (MHE) prior to being issued a license for such equipment. As a prerequisite for this training, contractor personnel must possess a valid national or state operator's license and a U. S. Government operator's license, SF 56. The U. S. Government operator's license will be obtained through the COTR.

(2) Operational Test. All personnel possessing a license for any piece of MHE must receive and pass an initial evaluation and annual reevaluation on the operation of each piece of equipment for which a license is held, as prescribed in AFM 52-4. The COTR will designate the most qualified operators as examiners for this purpose.

(3) Ground Support Equipment Licences. In addition to MHE licensing requirements, contractor personnel must be trained and licensed to operate aircraft Ground Support Equipment (GSE), such as the NC-8, NC-10, and GTC-85. This training will be administered by the Ground Support Equipment Division and quotas will be scheduled through the COTR, as required.

(4) Training Folders. Complete training folders and MHE operating records will be maintained by the contractor on all contractor personnel and will be subject to inspection by U. S. Government representatives.

b. Hazardous Materials Training

All contractor personnel receiving hazardous materials into the Navy or MAC logistic airlift systems must attend one of the hazardous cargo schools listed in NAVSUP PUB 505/AFR 71-4, in order to authenticate proper documentation of hazardous materials for shipment. The U. S. Government will provide qualified training courses at no cost to the contractor; however, if transportation and/or quarters are required, they shall be provided at the contractor's expense. The contractor will arrange for quotas for hazardous cargo certification training courses through the COTR.

c. Ground Safety Training

All contractor flight line personnel shall participate in a ground safety program held once each week for not more than 45 minutes per session. These sessions will be held on site by the COTR or his designated representative. The contractor will comply with additional safety and accident prevention precautions as directed by the COTR.

d. Training of Reserves

The Air Terminal is responsible for providing training in all aspects of Air Terminal operations for Navy, Air Force, and Army reserves. This training will be supervised by the COTR and the military reservists will be assigned to work with contractor personnel in each section of the cargo/passenger operation. Contractor personnel shall provide the necessary cooperation and assistance as may be requested by the COTR to ensure complete indoctrination of the assigned reservists. At no time will the trainee be put into a supervisory position over contract employees or be subject to orders from contract employees, other than by the COTR approved instructors. Schedules will be coordinated by the COTR with the contractor to provide minimum inconvenience. The number of military reservists attending these training sessions could range from five (5) to over one hundred (100) students at any given period. These sessions are normally scheduled either in two 2-week sessions consisting of 80 hours each or 26 weekend sessions consisting of 16 hours each annually.

7. Aircraft Handling Requirements

a. Aircraft Handling Priority

The priority for handling of designated aircraft will normally be as follows:

(1) Air evacuation aircraft.

(2) MAC Special Assignment Airlift Mission aircraft.

(3) C-5 and wide body commercial channel aircraft.

(4) All other MAC channel airlift aircraft.

(5) All other aircraft.

In cases of multiple handlings, priority shall, as far as possible, be given normally to those aircraft with the shortest authorized ground time or the earliest scheduled departure time. The ATOC/ACP Supervisor is the final authority and will assign aircraft handling priorities by the aircraft tail number and mission number. Services performed shall conform to the established standards and practices of the cargo, air passenger, and fleet service operations in accordance with MAC Regulation 76-1 and applicable technical orders for each type of aircraft. The contractor will provide sufficient personnel to ensure that all services are performed within the established authorized ground times for each individual aircraft mission.

b. Aircraft Mission Schedules

Scheduled arrival times for MAC and Navy controlled aircraft shall not be construed as definitive due to extenuating conditions associated with aircraft flight operations. MAC Special Assignment Airlift Mission (SAAM) aircraft, MAC contract commercial aircraft and various Navy organic logistic aircraft may be directed into the Air Terminal on less than 24 hour notice. The contractor's work schedule shall be based on the flight schedule information furnished by the ATOC/ACP, however, the contractor must maintain a capability to provide sufficient trained personnel to handle the servicing of a minimum of five missions simultaneously, three of which may be a C141 Starlifter or larger. The Passenger Service Center will be required to maintain up-to-date flight boards and changes will be posted as received from ATOC/ACP. Navy C-9 and C118 aircraft schedules are normally received 24 hours in advance of the scheduled mission. Other Navy, Marine Corps, Air Force (non-MAC), courier missions, and foreign national aircraft may arrive unannounced. Navy aircraft to be processed by the contractor will of all types, including the C-1, C-2, H-3, US-3A, C-9, CH-46, CH-53 as well as tactical aircraft and fighters. Except for the carrier onboard delivery (COD) C-1, C-2, and US-3A aircraft and the various helicopters, the normal extent of responsibility for carrier based aircraft will be to block aircraft in and out, provide assistance with transportation to flight planning, and performing fire watch duties during refueling operations. Cargo for courier flights is normally processed and handled by the Armed Forces Courier Service (ARFCOS). However, this does not preclude the courier service personnel from requesting cargo handling or forklift assistance for large or bulky shipments. The contractor will provide any required assistance as requested by the couriers. Any disagreements between the contractor personnel and the couriers will be brought to the attention of the ATOC/ACP Supervisor for resolution.

c. Foreign Aircraft

Foreign flag aircraft must be handled/processed in the same manner as U. S. military or commercial contract aircraft, when these aircraft are authorized use of the Air Terminal facilities. The contractor shall download, upload and service these aircraft in the same time frames set for U. S. military aircraft of similar size as shown in Technical Exhibit 4. In some cases, these aircraft must be deck-loaded due to no installed systems to accept the MAC standard 463L pallets. This will require loading operations similar to COD or helicopter loading.

d. Early Arrivals

In the case of unannounced and/or early arrivals (prior to the scheduled Estimated Time of Arrival (ETA)), the contractor is expected to handle the aircraft within time frames allotted in Technical Exhibit 4.

8. Contingency Plans

a. Alternate Locations

Occasionally, the contractor shall be required to perform Air Terminal Services at alternate military or commercial airports due to aircraft emergencies, weather conditions, or runway closures at the station. Alternate locations may be up to 100 miles from the station and the duration of services at the alternate location may exceed six months. Identification of alternate sites will be available at the pre-proposal conference.

b. Alternate Location Excess Costs

The contractor shall be reimbursed for all documented costs incurred solely due to the work being performed at the designated alternate location which are above the costs incurred if the operations were to take place at the Air Terminal. Documentation will be in the form of receipts or the contractors financial cost reports and will be submitted to the Contracting Officer for determination of allowability and allocability of costs incurred. All submissions of excess costs will be subject to audit by the Defense Contract Audit Agency (DCAA).

c. Contractor On-Site Advisory Services

Approximately six times per year, the contractor may be called upon by the COTR to provide on-site airlift advisory services for local Navy commands on the planned movement of passengers or cargo. This service will include, but not be limited to, load planning procedures, material shipment compatibility, palletizing techniques, and so forth.

9. Definitions

a. Special Terms and Phrases

The following special terms and phrases are used in this Performance Work Statement:

(1) Acceptable Quality Level (AQL). The maximum percent defective, maximum number of defects per hundred units, or the number of defects that can be

considered satisfactory on the average. The allowable variance from a standard that the U. S. Government will reject a specific service. An AQL does not imply that the contractor may knowingly perform in an unsatisfactory manner; it does imply that the U. S. Government recognizes that unsatisfactory performance sometimes occurs unintentionally. As long as the unsatisfactory performance does not exceed the AQL, the service will not normally be rejected by the U. S. Government. The contractor must reperform, however, all unsatisfactory work.

(2) APOD. Aerial Port of Debarkation.

(3) APOE. Aerial Port of Embarkation.

(4) Air Cargo Priorities. Air cargo movement priorities as defined by MILSTAMP, DOD Regulation 4500.34R.

(5) Baggage. Baggage includes, but is not limited to, personal clothing, professional equipment, essential dishes/pots/linens, and other items necessary for the health, welfare, and morale of the military member and/or his dependants. Baggage may be handcarried, checked accompanied, or unaccompanied.

(6) Bill of Lading, Commercial (CBL). A contract between the shipper and the carrier whereby the carrier agrees to furnish transportation services subject to the conditions printed on the reverse side of the bill of lading. The face of the CBL designates such pertinent information as the route, delivering carrier, name of

shipper, consignee, date, description of articles, number of parcels, weight, cube, and signatures of carrier's agent and the shipper's representative.

(7) Bill of Lading, Government (GBL). A contract similar to the CBL but including the name and title of the issuing officer, name of the issuing transportation office, name of the U. S. Government agency to which charges are billed, appropriation data chargeable, GBL number and department symbols, authority for shipment, and a verification of actual delivery and extent of any loss or damage.

(8) Bulk Freight. Cargo which must be hand loaded (or deck loaded) in an aircraft or surface movement vehicle, such as explosives at the Hot Spot, cargo used to fill pallets which contain oversize cargo, or cargo loaded on carrier onboard delivery or vertical onboard delivery Navy organic logistic aircraft.

(9) Bump. The removal of a shipment manifested to another station from an aircraft or a planned load, for reasons of higher priority cargo, priority passenger movements, etc.

(10) Cargo. Supplies, materials, stores, baggage, or equipment transported by land, water, or air means.

(11) Contracting Officer. An officer of the U. S. Government, either civilian or military, designated to

have the authority to formulate a contract between the U. S. Government and other parties and to change the terms and conditions of the contract.

(12) Contracting Officer's Technical Representative (COTR). The COTR is responsible to the Contracting Officer for monitoring, processing invoices, and overall technical surveillance of work performed under the contract for which assigned. The COTR shall not have the authority to modify, change, or deviate from the terms and conditions of the proposed contract, unless specifically authorized in writing by the Contracting Officer.

(13) Director. Designated aircraft loading/unloading supervisor.

(14) ETA. Estimated Time of Arrival.

(15) Fail to Locate. Material that cannot be located at the Air Terminal after it has been received from any source.

(16) FOD. Foreign Object Damage. Litter, trash, or loose materials which may cause damage to aircraft engines through ingestion.

(17) Form "F". Pilot's Weight and Balance Sheet.

(18) Green Sheet Procedures. Any procedures whereby specifically identified cargo in the Military Airlift Command (MAC) airlift system may gain movement

precedence over other priority cargo within the same shipping service, including 999 shipments.

(19) Hi-Line Docks, 463L. Roller system equiped docks used to build pallet trains. The required number of pallets will be positioned on the dock and then secured into a singe train, utilizing pallet spacers and securing devices. The oversized cargo requiring the pallet train will be positioned on the pallets along with sufficient other cargo to fully utilize the weight/cube of the train and then properly secured with straps, chains/devices, and nets, as required.

(20) MAC. Military Airlift Command.

(21) Manifest. A document which specifies in detail the items of cargo or passengers being carried on a transportation conveyance for a specific destination. This term usually refers to a ship or aircraft manifest for passengers, cargo, or mail.

(22) Married Pallet. Two or more MAC 463L pallets secured together to form a pallet train for oversized cargo.

(23) MILSTAMP. Military Standard Transportation and Movement Procedures.

(24) Mixed Pallet. A pallet loaded with cargo destined to no more than two manifested APOD's on the same flight. Each APOD will be segregated on the pallet and separated by nets, straps, or covers.

(25) Outsize Cargo. Cargo which, due to dimensions, is too large to load on a C-141 aircraft.

(26) Oversize Cargo. A single piece of cargo which, due to length or width, is precluded from loading and securing on one MAC 463L pallet. The term "odd size" is sometimes used for this size cargo, however, is not appropriate. There is no use for the term "odd size" cargo in the Air Terminal Services functions.

(27) Pallet, 463L. Aluminum air cargo pallet, balsa wood filled, which measures 88" X 108" and on which shipments are consolidated for movement via MAC airlift.

(28) Palletized Unit Load. Packaged or unpackaged item arranged on a wooden warehouse or metal explosives pallet and handled as a unit. Palletized unit loads will be accounted for by pallet unit unless the shipment must be split for any reason.

(29) Pallet Manifest. A listing prepared for each pallet which lists each shipment for the same destination. This listing is prepared by the Document Control Section and is attached to the completed pallet load after it has be closed out, tied down, and weighed.

(30) Pallet Reference Number. A consecutive control number assigned in sequential order to all pallets built at each APOE and may alternately be termed a Module Unit Identifier, Pallet Number, Pallet Identifier or Pallet I. D. Number.

(31) Pallet Tally Sheet (PTS). A document used for listing freight loaded on an individual 463L pallet or married pallet train, including the pallet number, pallet reference number, destination APOD, the last seven digits of the individual shipment Transportation Control Numbers (TCN), piece/weight/cube of each shipment, time and date placed on the pallet, and the initials of the person building the pallet.

(32) PRS. Performance Requirement Summary.

(33) PWS. Performance Work Statement.

(34) Quality Assurance Plan. An organized written document used for quality assurance surveillance of the contract work effort for each functional requirement on the PRS.

(35) Quality Control. Those actions taken by the contractor to control the performance of services so that such services will meet the requirements of the PWS.

(36) SAAM. Special Assignment Airlift Mission.

(37) Short or No Show. Cargo manifested but not located upon offloading the aircraft, truck, or pallet; or not located upon checking deliveries from shippers.

(38) Single Destination Pallet. A pallet loaded with cargo to only one manifested destination. Cargo consigned to a single destination are the primary pallet type in the MAC system.

(39) Split Shipment. A shipment originated under one shipping document but which is loaded on two or more pallets which may be forwarded at different times or on different aircraft/trucks. Individual documentation is required for each portion of the split shipment(s) in accordance with MILSTAMP.

(40) TCMD. Transportation Control Movement Document.

(41) TO. Technical Order.

(42) Ton. Various types of tons are as follows:

(a). Long (LT). 2,240 pounds.

(b). Measurement (MT). 40 cubic feet.

(c). Metric (MET). 2,204.6 pounds.

(d). Short (ST). 2,000 pounds.

(43) TP-1. UMMIPS Transportation Priority 1.

(44) TP-2. UMMIPS Transportation Priority 2.

(45) TP-3. UMMIPS Transportation Priority 3.

(46) Traffic Management. The direction, control and supervision of all functions incidental to the effective and economical procurement and use of transportation services.

(47) Transfer Freight. A loaded bulk pallet or hand loaded cargo transferred from one means/mode of transportation to a similar means/mode of transportation due to a change of equipment.

(48) Transload Freight. Cargo that requires transfer from/to another means/mode of transportation at a manifested terminal.

(49) Truck Control Log. A permanent log maintained to record truck carrier names, arrival date/time, CBL/GBL numbers, piece/weight/cube of shipments delivered/picked up.

(50) UMMIPS. Uniform Material Movement and Issue Priority System.

(51) 999. Code used in the Required Delivery Date (RDD) field of the shipment documents which denotes "expedited handling" requirements.

10. Regulations, Instructions, Publications, and Manuals

a. Technical Order Files

The contractor is required to maintain a current file of applicable technical orders for the C-5 and C-141 aircraft. Copies of applicable TO's may be obtained through the MAC Liaison Officer. In addition to the TO's, the contractor is responsible for coordinating with the Air Terminal Officer to obtain and maintain the following regulations, publications, and manuals:

(1) Air Force Manual (AFM) 52-4. Materials Handling Equipment (MHE) and Ramp Equipment Training Manual.

(2) AFM 127-100. Explosive Safety Manual.

(3) Air Force Regulation (AFR) 8-5. USAF Foreign Clearance Guide.

(4) AFR 71-4/NAVSUP PUB 505. Preparation of Hazardous Materials for Military Air Shipment.

(5) AFR 76-13/OPNAVINST 4600.21A. Management of Systems 463L Pallets and Nets.

(6) AFR 76-16/NMPCINST 4630.2A. MAC Transportation Authorization (MTA) DD Form 1482.

(7) AFR 76-26/OPNAVINST 4630.11D. Blue Bark Passengers.

(8) AFR 76-38/OPNAVINST 4630.18E. Military Airlift Command Requirements Submission, Space Assignments, Allocation, and Priorities.

(9) AFR 127-101. Industrial Safety Accident Prevention Handbook.

(10) BUPERSINST 4650.14F. International or Transoceanic Transportation of Navy Sponsored Passengers.

(11) DODINST 4515.13R. Air Transportation Eligibility.

(12) DOD Regulation 4500.32R. Military Standard Transportation and Movement Procedures (MILSTAMP).

(13) Inter-Service Support Agreement. ISSA between the station and the sponsoring MAC component.

(14) Military Airlift Command Regulation (MACR) 55-3. Volume III, The Military Airlift Command Command Post Regulation.

(15) MACR 55-4. C-141 Configuration/Mission Planning Regulation.

(16) MACR 55-37. Air Operations Security.

(17) MACR 67-10. Expeditious Movement of NORS/VVIP Items.

(18) MACR 70-1. Contract Airlift Management, Civil Air Carriers.

(19) MACR 76-1. Volume I, Transportation Regulation.

(20) MACR 76-1. Volume II, Standardization and Evaluation.

(21) Memorandum of Understanding. MOU between the Chief of Naval Operations and the Military Airlift Command dated 26 June 1980.

(22) MIL-STD-129H. Military Standard, Marking for Shipment and Storage.

(23) MILSTAMP, Volume I. Military Standard Transportation Procedures.

(24) MILSTAMP, Volume II. Military Standard Transportation Procedures.

(25) Most current 21AF/22AF Operating Policy.

(26) NAVSUP Volume II. Ashore Supply Procedures.

(27) TO 00-20B-5. Vehicle and Base Support Equipment Inspection and Maintenance System and Records Administration.

(28) TO 00-25-172. Ground Service of Aircraft and Positioning of Equipment.

(29) TO 00-105E-9. Emergency Aircraft Rescue Procedures.

(30) TO 1C-5A-2-1. C-5 Ground Handling and Servicing Calibration Technical Order, Responsibilities and Calibration Measurement Areas.

(31) TO 35D33-2-2-2. 463L Cargo Pallets.

(32) TO 35D33-2-3-1. Maintenance and Repair Instructions for Air Cargo Pallets and Nets.

(33) TO 35K-1-100. Calibration Technical Orders, Responsibility and Calibration Measurement Areas.

(34) TO 36-1-3. Painting and Marking of USAF Vehicles.

(35) TO 36A-1-112. Intermediate and Depot Repair of USAF Vehicles and Vehicle Components.

b. Other Technical Orders

In addition to the above instructions, the contractor is responsible for becoming familiar with the following instructions but a complete and current technical library need not be maintained. Copies of these are available from the Air Terminal Officer.

AFM 55-48
AFM 68-1, Volume 3
AFM 71-4, USAF Suppl
AFM 75-1
AFM 75-8
AFR 55-5
AFR 55-16
AFM 60-5
AFM 71-3
AFM 71-9
AFM 75-4
AFR 28-3
AFR 55-14
AFR 55-20

AFR 60-11
AFR 71-10
AFR 75-49
AFR 76-7
AFR 65-11
AFR 76-16
AFR 144-9
DODM 5220.22M
NAVAIR PUB 12-01-500
NAVCOMPTMAN Volume 4
NAVSUP PUB 485
AFR 60-14
AFR 75-15
AFR 76-5
AFR 76-8
AFR 76-13
AFR 76-28
DODM 4000.23M
DODR 4500.34R
NAVAIR PUB 12-02-500
NAVSUPINST 4610.33
OPNAVINST 4790.2B

11. Inspection and Acceptance

a. Inspection and Acceptance (Destination)

The supplies and services to be furnished under any contract resulting from this PWS shall be inspected and accepted at destination by the Contracting Officer's Technical Representative (COTR) or the designated official's authorized representative. For the purposes of this PWS, the destination is the station Air Terminal. Supplies or services not conforming to the requirements of this PWS or the resultant contract shall be rejected. There is absolutely no obligation on the part of the U. S. Government to pay for any supplies or services that are found to be not in conformance with the requirements of this PWS at the time of delivery and/or performance.

b. Contracting Officer's Technical Representative

The COTR is responsible for monitoring progress and overall technical surveillance of services to be performed under this PWS and any resultant contract. The COTR is the contractor's point of contact for any questions or problems of a technical nature. Although the

COTR has been delegated technical responsibilities for contract administration purposes, the contractor's attention is directed to the clause in the resultant contract entitled "Extra Work or Contract Changes". No understanding, agreement, modification, change, or performance of extra work outside the terms and conditions of the resultant contract will be binding upon the U. S. Government unless approved in writing by the Contracting Officer prior to implementation of such changes. If, in the opinion of the contractor, the COTR or any other U. S. Government official requests contractor performance outside of the terms and conditions of any resultant contract, the contractor shall immediately notify the Contracting Officer prior to performing any such requests. Such notification shall be confirmed in writing by the contractor to the Contracting Officer within three working days.

(1) COTR Responsibilities.

(a) Technical Advisor to Contracting Officer. The COTR shall act as technical advisor to the Contracting Officer and provide technical assistance as requested by the Contracting Officer or the Administrative Contracting Officer (ACO).

(b) Technical Advisor to Contractor. The COTR shall serve as the technical contact through whom the contractor can relay questions and problems of a technical nature to the Contracting Officer or ACO. The

COTR is responsible for all U. S. Government technical interfaces concerning this PWS or resulting contract.

(c) Contract Monitor. The COTR will monitor contractor performance in order to ensure compliance with this PWS and additional resultant contract specifications and advise the Contracting Officer and contractor when problems occur, or potential problems are noticed. The COTR shall maintain a log of U. S. Government noted deficiencies. The contractor shall, upon the request of the COTR, acknowledge in writing on the COTR's log of U. S. Government noted deficiencies and state the actions taken or to be taken to correct the deficiencies. The contractor shall provide update status of corrective actions as requested by the COTR or other designated representatives of the Contracting Officer. Upon correction of a deficiency, the COTR will so annotate the log, indicating the date corrective action was taken. All contractor deficiencies shall be subject to the "Inspection of Services" clause of any resultant contract.

(d) Performance Inspection and Acceptance. The COTR will be responsible for timely written certification of the inspection and acceptance of the services performed by the contractor and a statement of completion. A copy of this inspection and acceptance certification shall be furnished to the Contracting Officer or ACO, as appropriate.

(e) Invoice Validation. The COTR shall ensure that the invoice amount for services performed is in accordance with the contract involved, certify correct invoices for payment, and forward to the paying office indicated on the contract involved. Improper invoices shall be returned to the contractor with an explanation of deficiencies.

(f) Contract Files. The COTR shall retain copies of all pertinent U. S. Government technical correspondence and maintain in an appropriate COTR contract file.

(g) Changes, Deviations, or Waivers. The COTR shall furnish the Contracting Officer with any requests for change, deviation, or waiver to the contract involved, whether generated by U. S. Government personnel or the contractor, including all supporting documentation in connection with such proposed changes, deviations, or waivers.

(2) COTR Authority Limitations.

(a) Legal Interpretations. The COTR shall not clarify, make or imply legal interpretations of the scope or intent of any contract involved.

(b) Approval of Procedures. The COTR shall not approve contractor procedures unless specifically provided for by the terms and conditions of the contract involved. When contractually authorized, approval authority remains subject to any limitations which may be administratively imposed by the Contracting Officer. Accordingly, proposed contractor procedures should be presented to the Contracting Officer for approval.

(c) Funds Expenditures. The COTR shall not authorize expenditure of funds except in accordance with the specific terms of the contract.

(d) Extra or Alternate Tasks. The COTR will not levy or impose upon the contractor any task or permit any substitution not specifically provided for in the contract involved.

(e) Contractor Employee Control. The COTR shall not direct, supervise, or control employees of the contractor.

(f) Advice and Changes. The COTR won't offer advice to the contractor which may adversely affect the performance on any contract involved, compromise the rights of the U. S. Government, provide the basis of a claim for constructive change, or impact any pending or future Contracting Officer determinations as to fault or negligence under the contract involved.

(3) Identification of COTR

The COTR will be identified by the Contracting Officer at the Pre-Award Survey, if held, or otherwise at the Pre-Performance Conference, to the contractor. Any change in the COTR will be provided by the

Contracting Officer to the contractor in writing prior to effective date of change.

12. U. S. Government Furnished Property and Services

a. Property

The U. S. Government will provide, without cost to the contractor, the facilities, materials, equipment, and/or services as follow:

(1) Facilities. Storage and warehouse space will be provided to the contractor for use in providing Air Terminal Services. The contractor shall assume responsibility for safekeeping of the facilities provided for use and shall take adequate precautions to prevent fire hazards and vermin. Ten days prior to commencement of contractor services under this PWS and any resultant contract, the contractor shall prepare and submit a written description of the observed condition of all facilities provided for use. The contractor shall not be provided use of these facilities until this description has been accepted and approved in writing by the COTR. At the completion of any contract involved, all facilities shall be returned to the U. S. Government in the same condition as received, except for reasonable wear and tear. The contractor shall be held responsible for the cost of any repairs caused by negligence or abuse on the part of contractor personnel. The following areas will be

available for use in performance of Air Terminal Services under this PWS:

Building	Square Feet
XXX	XX,XXX
XXX	XX,XXX

The figures for square feet are approximate and represent the area to be made available within the applicable building(s).

(2) Equipment. The U. S. Government will furnish to the contractor the equipment listed in Technical Exhibit 3. Equipment used by the contractor will be operated in accordance with U. S. Government regulations and the manufacturer's handbook recommendations. This equipment will be operated in a safe manner and in consideration of the surrounding environmental area. In addition, the contractor shall maintain a 90% equipment operating level at all times.

(3) Inventory. The contractor and the U. S. Government representative shall conduct a joint inventory of all U. S. Government Furnished Equipment (GFE) before commencement of any services under this PWS or any resultant contract to determine the exact number and serviceability of all GFE. The contractor shall then certify the findings of this inventory and shall assume accounting responsibility and subsequently report inventory discrepancies to the COTR. GFE shall not be removed from

the work site unless approved by the COTR. The contractor shall assume full responsibility/accountability for all repairs to both GFE and Contractor Furnished Equipment (CFE). The Preventative Maintenance (PM) schedules for all GFE will be provided in the Technical Orders for each equipment type. If the GFE becomes unserviceable and cannot be repaired, the contractor is not relieved of any of the requirements for maintenance-related GFE availability. The U. S. Government shall not be responsible for replacing any equipment that breaks down beyond repair, but the contractor shall be specifically responsible to replace any equipment that breaks down due to negligence or abuse by contractor personnel. GFE provided for contractor use shall, at the termination of any contract involved, be in essentially the same condition as when the contract commenced, less allowance for normal wear and tear.

(4) Repair Cost Limits. All GFE is subject to a repair cost limit equal to 75% of the equipment replacement value. If it is determined that any GFE is beyond economical repair, the contractor, in coordination with the COTR, shall recommend to the Contracting Officer, in writing, that such GFE should be replaced. Substantiating data to support the recommended replacement should be included. If the U. S. Government decides that

such equipment should be repaired, the contractor shall be paid for costs above the limit.

b. Services

The U. S. Government will provide the following services to the contractor in performance of the Air Terminal Services required under this PWS and any resultant contract:

(1) Utilities. The U. S. Government will furnish electricity, water, sewage disposal, and steam for heating purposes at designated U. S. Government facilities.

(2) Postal Distribution. The U. S. Government will provide contract related mail distribution and distribution related to U. S. Government business only; personal mail service will not be provided.

(3) Telephone service. Local "Class C" telephone service will be provided. Commercial long distance calls shall be at the contractor's expense. The local "Class C" service is limited to use for U. S. Government business only. Any relocation of the U. S. Government furnished telephone instruments will be at the contractor's expense.

(4) Real Property Maintenance. Custodial and building maintenance services will be provided by the U. S. Government for all facilities furnished to the contractor under any contract resulting from this PWS.

(5) Related Services. The U. S. Government shall provide the following related services:

(a) Insect and rodent control.

(b) Garbage and refuse pick-up.

(c) Janitorial services. These services will be provided on a daily basis for the restrooms located in Buildings XXX, XXX, and XXX. Supplies such as hand soap, paper towels, and toilet tissue shall be provided by the U. S. Government to the janitorial services contractor. If the Air Terminal Services contractor experiences any difficulties in receiving janitorial services, the contractor shall notify the COTR for resolution.

(d) Designated contractor personnel parking.

(e) Security and Fire Protection (on station).

(f) Connections of new equipment to utilities.

c. Materials

The U. S. Government will provide all necessary publications, regulations, instructions, and manuals (including changes thereto) and all required military forms.

13. Contractor Furnished Materials (CFM)

a. Materials and Facilities

The contractor shall furnish the following:

(1) Required CFM. All equipment, furniture, tools, material, and clothing not specified in paragraph 12 as GFE that is required to meet the requirements of this PWS or any resultant contract.

(2) Repair Parts. The contractor will provide all repair and replacement parts, as well as all required labor, for equipment maintenance requirements of GFE and CFE.

(3) Office Space. All required office space, less a Project Manager's office with telephone to be provided in building XXX, shall be provided by the contractor.

(4) Employee Lockers. If desired, contractor personnel lockers shall be provided by the contractor.

(5) Tools and Equipment. The contractor shall provide all tools and equipment necessary to make all repairs, including minor wood working repairs required by the packers and craters. Equipment status reports will be furnished to the on-site COTR, or his designated representative, on a daily basis. This will list equipment in either an UP or DOWN status and, if DOWN, an explanation of repairs required and an estimated time of return to UP status.

(6) Fuel and Lubricants. The contractor will be responsible for furnishing all fuel (both gasoline and diesel), oil, deicing fluids, anti-freeze, and any other

associated equipment or supplies, parts, and tires in support of all GFE and CFE.

(7) Damages. The contractor shall be held responsible for any damage caused by negligence or abuse by contractor personnel. Repair costs to equipment, buildings, and aircraft will be billed directly to the contractor or collected as a reduction of the monthly invoice amount due the contractor for acceptable services performed under this PWS or any resultant contract.

b. Equipment

All equipment needed to perform the functions described in this PWS that is not specifically provided by the U. S. Government as GFE shall be provided by the contractor. For all forklifts, cargo loaders, high-lift trucks, and other MHE assets positioned at the Air Terminal, including both GFE and CFE assets, the contractor shall be responsible to the COTR to maintain proper inventories and reports, costs, surveys, and equipment status. In addition, the contractor shall ensure the satisfactory condition of all equipment, and that repairs are being made in a manner to ensure a 90% in-commission rate is maintained on a monthly average basis. The contractor is required to prepare a daily equipment status report via message format to the ATOC/ACP. This report must identify all equipment by register number and type and indicate status of equipment (UP or DOWN). If equipment is in a DOWN status, the reason must be specified as either VDM (vehicle down for maintenance) or VDP (vehicle down for parts), and an estimate of the date of return to in-commission status.

c. Custodial Requirements for 463L USAF/MAC Equipment

(1) Pallets and Nets, 463L. The contractor will be responsible for the management of 463L pallets and nets in accordance with the requirements of AFR 76-13. Pallets and nets are MAC assets (463L aluminum pallets measuring 88" X 108") used for loading cargo into MAC aircraft. Authorizations vary based on tonnage moved by the Air Terminal. The current authorizations for the Air Terminal include XXX pallets, XXX top nets and XXX side nets.

(2) 463L Custodian. The contractor shall appoint an employee to manage 463L pallets, top nets and side nets. This equipment will be furnished by the U. S. Government. The contractor employee shall be known as "Mr. Pallet" for the Air Terminal. Requirements for replacement pallets, top nets and side nets to maintain authorization levels will be ordered through the ATOC/ACP. Specific duties to be performed by Mr. Pallet include the following:

(a) Daily Inventory. A daily inventory of assets must be submitted to the Load Planning Section for inclusion with other reports to MAC command posts.

This inventory will be in the form of an on-hand report and will contain the number of full pallets on-hand (both inbound and outbound), the number of top and side nets used, the number of empty pallets on-hand, the number of unused top and side nets on-hand, and any anticipated requirements for increased authorizations.

(b) Monthly Report. A monthly report will be prepared and submitted in accordance with the requirements of AFR 76-13. This report shall contain a summary of pallets and nets on-hand, authorized, and the movement of any pallets or nets to another station or repair facility.

(c) Damaged 463L Equipment. Pallets or nets found to be in a damaged condition shall be stowed separately from useable assets and disposition shall be requested from the on-site COTR in accordance with TO 35D33-2-2-2 and TO 35D33-2-3-1.

d. Contractor Equipment Operator Training

All contractor personnel performing operation or maintenance on MAC equipment will be required to attend operator training schools and be licensed to operate each individual piece of equipment. The following training curriculum will be taught by the Air Terminal and MAC Liaison personnel at no cost to the contractor during the Phase-In period for all contractor personnel and at regular intervals for new contractor personnel:

Curriculum Section	Time Required
Air Terminal Familiarization	2 hours
Safety: Flight Line/MHE/Cargo Handling	1 hour
Aviation Terminology Familiarization	1 hour
Aircraft Weight and Balance Familiarization	1 hour
Aircraft and MHE Characteristics	1 hour
Air Force 463L System Familiarization	1 hour
463L Pallets and Nets Usage	2 hours
Transfer Dollie Familiarization	1 hour
Equipment Operator Familiarization	16 hours
463L Aircraft Rail System Configurations	1 hour
Forklift: 2K/4K General Familiarization	3 hours
Forklift: 6K General Familiarization	2 hours
Forklift: 10K General Familiarization	6 hours
Truck: Hi-Lift, 9 Ton Capacity, Usage of	4 hours
Truck: Latrine Servicing, Usage of	6 hours
Truck: Latrine Servicing, Maintenance and Repair	40 hours
10K Forklift, Maintenace and Repair	40 hours
25K Cargo Loader, Familiarization and Operation	8 hours
25K Cargo Loader, Maintenance and Repair	40 hours
40K Cargo Loader, Familiarization and Operation	8 hours
40K Cargo Loader, Maintenance and Repair	40 hours
Explosive Handling Procedures	40 hours

B. PASSENGER SERVICES

1. Services

Passenger services processing shall consist of the following:

a. Processing

The contractor is responsible for the processing of passengers travelling on bonafide Government orders, authorized current leave documents. local liberty pass, or as provided in existing regulations and/or directives.

b. Escorting

The contractor is responsible for the escorting of passengers and transporting of baggage from the passenger terminal to the aircraft and from the aircraft to the passenger terminal. This requirement includes:

(1) Meeting of Aircraft. The contractor shall meet all incoming and transient aircraft with onboard passengers and make designated welcoming addresses.

(2) Manifest Handling. The contractor is responsible for preparing, delivering and picking up of aircraft passenger manifests and related documents and effecting distribution as directed by MAC Regulation 76-2 and local directives.

(3) Deplaning of Passengers. The contractor is responsible for deplaning and escorting passengers to the appropriate area of the passenger terminal, including coordination of inspections by local or military customs or security personnel.

(4) Baggage Pick-Up and Delivery. The contractor shall deliver and pick-up passenger baggage to the appropriate aircraft or from the baggage claim area.

(5) Onloading of Passengers. The contractor is responsible for escorting boarding passengers from the passenger terminal to the aircraft and delivering passenger manifests and related documents to the appropriate air crew personnel. In no instance will passengers be allowed to walk to or board the aircraft unaccompanied and sufficient contractor personnel will be designated in order to provide for boarding safety surveillance of the entire boarding

party. Contractor personnel are to be constantly alert to unauthorized personnel around the aircraft or the ramp area, and should notify the Air Terminal Operations Center (ATOC)/Airlift Command Post (ACP) immediately of any such personnel. Passengers will be escorted as a group and individuals shall not be permitted to straggle for any reason. Under no circumstances shall passengers be allowed to walk under any portion of the aircraft (unless required for boarding such as with the Boeing 727 or Douglas C-9 aircraft).

c. Schedule Boards

The contractor is responsible for updating of arrival/departure schedule boards/displays in the passenger lobby and check-in areas. Information regarding schedules and schedule changes will be provided to the contractor by the ATOC/ACP as information becomes available.

d. Records and Files

The contractor shall maintain passenger records and files as directed by MAC Regulation 76-1, MAC Regulation 76-2, applicable local area Navy regulations and directives, and locally established procedures.

e. Baggage Handling

The contractor is responsible for handling, tagging, and weighing of all outbound checked baggage. Baggage will be handled carefully to avoid damage and passengers will be treated with courtesy and respect.

f. Accountability for Funds

The contractor is solely responsible for collection, refund, and accountability of funds in his possession. The contractor will be responsible for the preparation of the DD Form 1131, Cash Collection Voucher, for all collection of meal charges, space available monies, and excess baggage charges, as well as for the proper deposit with the Disbursing Officer (or In-Flight Kitchen/Flight Galley cashier, as appropriate) of all funds collected. The following Funding Appropriations apply:

Meal Charges:

57X3500 321 43P562 607 0 C93 S503725/SP

Excess Baggage and Space Available:

57X4922.03068 208594 099 S525300

Shortages between the amount collected, or should have been collected, and the amount deposited shall be immediately replaced by the contractor or recouped by the U. S. Government through deductions from the contractor's monthly invoice amount.

2. Inbound Passenger Services

a. Services

The contractor shall be responsible for:

(1) Meeting of Aircraft. The contractor is responsible for meeting all inbound aircraft upon block in, performing the welcoming brief, and escorting all passengers directly to the Passenger Terminal.

Distinguished Visitor's (DV's) will be offloaded first and escorted to the DV Lounge for individual processing as required. Suffient passenger service personnel will be available to assist handicapped passengers, if necessary. Passengers will be grouped and not permitted to straggle into the Passenger Terminal.

(2) Inbound Baggage. The contractor shall unsecure, remove, and reposition passenger baggage from the aircraft. This requirement includes receipt of inbound baggage for integral groups, such as VP Squadron or NMCB unit rotations, at locations other than the Passenger Terminal area, delivery direct from the aircraft and loading aboard designated vehicles for delivery to a distribution point other than the Passenger Terminal baggage claim area.

(3) Baggage Delivery Times. The contractor will complete delivery of passenger baggage from the aircraft to the designated inbound baggage claim area within the following maximum time frames:

75 Passengers or less: 20 minutes after arrival.

76 to 150 Passengers: 30 minutes after arrival.

151 Passengers or more: 45 minutes after arrival.

(4) Baggage Damage. The contractor will position passenger baggage in an upright position on the baggage carosel, in suitable manner for convenient identification, taking special care to avoid baggage damage. Any damage shall be reported to the ATOC/ACP immediately.

(5) Baggage Destination Segregation. The contractor shall separate all through baggage by applicable destination, ensuring baggage is segregated by destination to facilitate proper future loading. All baggage will accompany manifested passengers on the same aircraft. Split shipments is specifically prohibited.

(6) Onward Passenger Movements. The contractor shall direct all inbound passengers requiring onward military air transportation to report to the passenger check in counters. Distinguished Visitors will be processed at the DV Lounge and handicapped personnel will be handled on an individual basis. Careful attention will be paid to personnel returning for emergency leave. In the event that reservations cannot be confirmed for onward transportation within 8 hours after arrival, emergency leave personnel will be directed to local transportation personnel for commercial movement, if available and more timely than military air transportation.

(7) Unclaimed/Rush Baggage. The contractor shall monitor the baggage claim area(s) and move any

unclaimed and terminating rush baggage to Baggage Lost and Found within one hour of the aircraft arrival or prior to delivery of baggage from the next aircraft arrival. Notify ATOC/ACP of all unclaimed/rush baggage on hand at the end of each shift. Notify owners of rush baggage received and on hand, if possible.

(8) Lost Baggage. The contractor shall make all required inquiries to up line stations and complete all documentation, including MAC Forms 134/136, baggage tracing messages, and reports for lost, found, rush, damaged, or pilfered baggage as directed by MAC Regulation 76-1, Chapters 14 and 15, and locally established instructions.

(9) Passenger Travel Authorizations. The contractor shall collect and retain one copy of orders for all military personnel travelling under official orders, verify immunization records as required, and prepare documentation for personnel requiring further travel.

(10) Passenger Service Center. The contractor must etablish and operate a passenger service center within the Passenger Terminal lobby. This service shall include the dissemination of information to passengers regarding commercial transportation in the local area, base facilities, onward commercial transportation, etc. Information will be provided by the U. S. Government on hand-out sheets which will be stocked as consumable supplies by the contractor. Additionallly, the contractor

must make his best effort to obtain taxi cabs and hotel accomodations when required/requested by passengers.

3. Outbound Passenger Services

a. Services

The contractor shall be responsible for the following:

(1) Passenger Manifests. Upon notification by the ATOC/ACP, the contractor shall select passengers to fill the available cabin load and prepare premanifests for selected passengers. At a time specified by the ATOC/ACP before flight departure (normally 1 hour and 30 minutes prior to departure for MAC missions and 45 minutes prior to departure for Navy organic missions), the contractor will compile a final premanifest of passengers to be carried on the flight.

(2) Passenger/Baggage Weights. During pre-departure processing, passenger and baggage weights will be entered on the individual passenger processing cards and the passenger manifest sheets. The total passenger and baggage weights will be reported to ATOC/ACP as soon as compiled and not later than 20 minutes prior to scheduled aircraft boarding.

(3) Boarding Passes. A passenger boarding pass will be prepared for each passenger, including each member of integral military units or family groups. Positive

passenger identification must be ensured prior to issuance of the boarding pass.

(4) Travel Documentation Validation. Orders and leave papers will be verified as correct, current, and complete. Military Travel Authorizations (MTA's), identification cards, and passports (if required) will be verified as required by the USAF Foreign Clearance Guide and DODINST 4515.13R.

(5) Forms. The following forms are to be filled out when applicable:

(a) DD Form 1381. Air Transportation Agreement.

(b) DD Form 1382. Flight Certificate (Retired Personnel).

(c) MAC Form 53. Space Available Request.

(d) DD Form 1482. Military Transportation Authorization (MTA).

(e) Other. Other forms or documents as may be required by current regulations or local procedures.

(6) Integral Unit Moves. The contractor will receive outbound baggage from integral military units, such as VP/NMCB unit rotations, at locations other than the Passenger Terminal for delivery direct to the designated aircraft. Baggage will be tagged and receipts provided to the individual passengers upon receipt by the contractor. Individual pieces of baggage may be weighed at turn-in or

the consolidated baggage may be weighed on the Air Cargo Terminal scales prior to loading on the aircraft.

(7) Unaccompanied Baggage. Unaccompanied baggage will be designated or provided to the contractor to be included on specified missions on a case by case basis by the Air Terminal Officer or his designated representative. Outbound rush baggage will be processed and documented in accordance with the requirements of MAC Regulation 76-1, Chapter 15.

(8) Baggage Loading. The contractor will transport the accumulated baggage to the aircraft and load it securely as directed by the aircraft loadmaster or airline representative (for MAC Contract Aircraft).

(9) Passenger Loading. The contractor will call passengers at boarding time on a U.S. Government furnished public address system, and perform all designated anti-hijacking checks, including searches of all handcarried baggage in accordance with MAC Regulations 76-1, Chapter 14, and 55-37, including any supplements thereto. In those cases when passenger loads exceed the capacity of the sterile holding areas, the contractor shall have sufficient capability to simultaneously perform anti-hijacking checks and passenger boarding to prevent excessive congestion in the sterile areas. In such cases, passenger boarding sequences shall be in accordance with

seating rows on the aircraft, if assigned seat numbers are used, or otherwise with prenumbered boarding passes.

(10) "No Show" Passengers. The ATOC/ACP will be notified immediately of all "No Show" passengers at the boarding gate. "No Show" baggage will be offloaded as directed by the ATOC/ACP and additional on-hand travel-ready passengers processed to utilize available seats, if a departure delay will not be realized.

(11) Escorting of Passengers. The contractor shall escort passengers to the aircraft ensure that proper loading procedures and security precautions are followed.

(12) Documentation Distribution. The contractor shall deliver two copies of the final passenger manifest to the ATOC/ACP, along with one copy of each applicable processing form prepared, for inclusion in the mission history folder.

(13) Special Family Group Processing. Special passenger processing will be afforded to families with small children.

(14) Security Searches. The contractor will perform a search of the DV Lounge and sterile holding areas for unauthorized personnel and articles prior to processing personnel into these areas. The contractor will coordinate with the Air Terminal Officer and Security Officer if any unauthorized personnel or articles are discovered during the search.

4. In-Transit Passenger Services and Control

a. Services

The contractor shall be responsible for the following:

(1) Inbound Passenger Services. The contractor shall perform all functions and services as outlined in paragraph 2 above.

(2) Travel Documentation Files. The contractor shall collect one copy of orders for all passengers destined for commands or Fleet units located outside of the local service area of the station and maintain copies on file until onward passenger movement is effected.

(3) Passenger On-Hand Files and Reports. The contractor shall establish and maintain daily Passenger On-Hand files and preparation of a Daily Passenger On-Hand Report in accordance with local and area instructions. If message transmission is required, necessary forms, typewriters, typing elements, and personnel training will be provided by the U. S. Government and shall be coordintated through the Contracting Officer's Technical Representative (COTR).

(4) "No Show" Report. The contractor shall prepare the daily flight "No Show" Report in accordance with local instructions.

(5) Premanifest Preparation. The contractor shall select passenger loads and prepare premanifests for

in-transit passengers based on passenger movement priorities designated in local instruction or as superceded by directions of ATOC/ACP personnel to conform to emergent mission needs.

(6) Passenger Flight Notification. The contractor shall forward premanifests to transient billeting personnel, if time allows prior to required passenger show time, or contact transient billeting personnel via telephone to notify passengers of flight designation and show time.

(7) Passenger Load Coordination. The contractor will be required to coordinate passenger loads through ATOC/ACP. Liaison with passenger scheduling offices and commands will be accomplished through ATOC/ACP and passenger priority changes will not be accepted directly by contractor personnel.

5. Space Available Passenger Services

a. Space Available Charges

The contractor shall advise all passengers originating within the geographical area served by the local station who desire space available transportation aboard Department of Defense aircraft of the $10.00 space available transportation processing charge for international air transportation. (This requirement does not apply to stations processing less than 1,000 international space available passengers annually.)

(1) Involuntarily Removed Passengers. The charge shall not apply to passengers involuntarily removed at the station to accomodate space-required passengers or priority cargo aircraft reconfigurations and who are subsequently moved onward to their original destination. Should the involuntarily removed passengers, however, change the designated destination indicated on the MAC Form 53 or the inbound arriving passenger manifest, the $10.00 charge shall again apply.

(2) Non-Paying Passengers Moving to Original Destination. The charge shall not apply to passengers originating from an air terminal not required to collect the space available charge and who remain aboard the transiting aircraft or are involuntarily removed as per subparagraph (1) above. However, any passenger who voluntarily removes himself from the transiting flight must pay the $10.00 space available processing charge upon subsequent movement from the Air Terminal.

b. Refunds

Refunds shall be made by the contractor to individuals in possession of a valid receipt in event of their removal from a flight if and only if the passenger originated at the station. The contractor's shift supervisor shall annotate such valid receipts, indicating travel was not made, and the passenger shall sign the boarding pass as proof of receipt of the refund. All refunds shall be made by the contractor utilizing receipts of space available charge collections currently available and undeposited.

c. Transfer of Funds Between Shifts

Upon termination of a shift, all funds collected by contractor personnel shall be transferred to the next shift, and each shift supervisor shall annotate in a designated permanent log, to be provided by the contractor, the value of funds on hand.

d. Change Fund

The contractor shall establish a change fund with adequate assets available at all times to meet demands for change. The space available charges may be paid by cash, traveler's checks, or personal checks. The contractor shall include personal checks in the daily receipts and process them in the same manner as cash or traveler's checks. If personal checks are returned due to insufficient funds, or for other reasons, the responsibility for further processing will be that of the Air Terminal Officer or his designated representative. The contractor will specifically not be responsible for "bad checks" written by passengers for space available, excess baggage, or meal charges. In no case, however, will the amount of the check be greater than the exact amount of the charges. Additionally, the contractor will ensure that the check is annotated with the passenger's I.D. Card number.

e. Insufficient Refund Funds

The contractor shall use the change fund to make payment of refunds if the day's receipts have been closed, and the space available sales on the new day are insufficient to cover the amount of requested refunds. At such point, the change fund shall consist of cash and the value of refunded receipts (MAC Forms 124). Such refunded receipts shall be converted to cash in the change fund as space available charges are collected. The individual transferring the refunded receipts to cash, and the individual accepting the refunded receipts, shall both sign the contractor's fund control log to ensure proper cash accountability.

f. Deposit of Funds

Each working day if practical, or at least twice weekly, the contractor shall turn in all collected charges, receipts, and proper documentation to the Disbursing Officer of the station in accordance with local instructions and directives.

g. Accountability of Funds

The contractor shall be solely and totally responsible for all funds in his possession. A safe will be provided by the U. S. Government for storage of funds while in the contractor's possession. Shortages between the amount which was paid in, or should have been collected, and the amount actually deposited with the

Disbursing Officer shall be recouped directly from the contractor or through deductions from the contractor's monthly invoice amount.

C. CARGO HANDLING SERVICES

1. General

The contractor shall be responsible for all cargo handling services through the Air Terminal. These services shall include all tasks involved in receiving, handling, transporting, loading, stowing, and securing outbound cargo onboard aircraft, and unsecuring, unstowing, unloading, handling, transporting, and delivering inbound cargo from aircraft. For the purposes of this Performance Work Statement, the term "cargo" includes air freight, surface freight, mail, and courier materials which transit the Air Terminal. The amount of cargo moved shall be net cargo/mail quantities taken from the MAC 7107 Report, the official U. S. Government record. Rehandled cargo shall be computed as regular cargo and added to the accumulated monthly tonnage and shall include warehouse handling tonnage, if applicable. Loose cargo must be loaded and unloaded by hand and will normally be 95% of cargo handled on Navy logistic aircraft and 5% of cargo handled on MAC aircraft. The entire loading/off-loading operation must be accomplished under the contractor's supervision, unless otherwise specified herein.

2. Services

The contractor shall be responsible for the following:

a. Cargo Receiving (Truck Dock)

(1) Documentation. Upon arrival of the delivery carrier, either U. S. Government or commercial transporter, all documentation will be checked for correctness of delivery, will be dated, and will ensure a signature receipt is provided to the driver. Overages, shortages, and damages will be annotated on the freight bill or Government Bill of Lading (GBL). The contractor receiving personnel shall have the driver acknowledge the discrepancy by signature thereon. All deliveries will be recorded in a permanent delivery truck log to be provided by the contractor.

(2) Documentation Distribution. Documentation will be forwarded to the Document Control Section in Air Cargo to be added to inventory on-hand records and preparation of punched card movement documents, as required.

b. Cargo Warehouse In-processing

(1) Warehousing. All cargo will be moved to specified locations after in-checking is completed. Special handling shipments are located according to hazardous classification, refrigeration requirements, or security levels. Documentation for special handling,

storage and palletizing will be annotated as to the time/date of arrival, and maintained with the material. Cargo is located in the warehouse and accounted for by piece count methods vice unit of issue. Palletized or unitized shipments will be accounted for by pallet/unit if integrity is maintained within the warehouse and split shipment is not necessary, otherwise piece count methods will apply. General cargo will be processed and palletized according to size and destination.

(2) Pallet Processing. When pallets are loading to capacity (weight and/or cube), pallets will be covered with a plastic cover, secured with side and top nets, and inspected in accordance with MAC Regulation 76-1, Chapter 11. The pallet, along with the completed representative Pallet Tally Sheet (MAC Form 218), will be transported to installed scales and weighed. The weight will be annotated on the reverse side of the MAC Form 218 and attached to the pallet. The completed pallet will be transported to the designated staging area to await shipment. The grid location of the completed pallet will be noted on the MAC Form 218 and the form delivered to the Document Control Section for preparation of the pallet manifest and pallet placards. Additionally, a pallet or cargo location number will be assigned to all cargo pallets built up by the contractor. Numbers must be assigned to all cargo locations and pallet buildup areas of the Air

Terminal and will be indicated on all pallet tally sheets as well as documentation covering cargo received.

c. Over and Short Shipments -

(1) Daily Floor Checks. The urgency and high value of the material shipped through the Air Terminal makes it absolutely mandatory that optimum care and attention be given to handling procedures for over, short, and damaged shipments. The contractor will ensure that daily floor checks be made and all material on hand be identified to documents on file in the Document Control Section. In the event overages or shortages are noted, immediate steps will be taken to reconcile material on hand quantities against Cargo On-Hand Reports. Documents will be amended, as appropriate to indicate disposition of material. All shortages noted will be summarized and provided to the Air Terminal Officer for investigation. If pilferage of cargo is suspected or Protected Signature Service (PSS) or Security Signature Service (SSS) is short or cannot be located within one hour of discovery, the Air Terminal Officer or his designated representative will be advised for appropriate investigation, as required.

(2) Split Receipts. For shortages noted on receipt at the Air Terminal, the remainder of the shipment should be received and the shipping documents annotated accordingly. When the remaining quantity is received to complete the shipment, the contractor receiving personnel

will process the receipt as a separate shipment receipt; however, the delivery receipt will be filed with the annotated original copy of the freight bill or GBL, if still on-hand awaiting shipment. The pieces, weight and cube will be annotated on the freight bills or GBL's as to the shipments actually received and the lots labeled accordingly.

(3) Overages. For overshipments (when the shipper delivers cargo in excess of the amount stated on the documentation), only the documented quantities listed on the freight bill or GBL will be received by contractor personnel. All excess quantities will be rejected. If the excess quantities are included in a palletized or unitized lot, the shipment must be broken down to receive only the documented quantities. Care must be exercised to account for the receipt by the piece count method using actual counts. If the overage is found after receipt, the quantities in excess of documented shipment quantities will be frustrated in accordance with local directives and instructions.

d. Cargo Without Documentation

(1) Long Haul Carriers. For cargo offered for shipment by commercial or long haul U. S. Government carriers, the contractor receiving personnel shall prepare the MAC Form 33, Report of Frustrated Cargo, in triplicate, and frustrate the cargo in accordance with local directives

and instructions. The original MAC Form 33 will be forwarded to the Document Control Section along with a copy of the freight bill, GBL, or other delivery documents. One copy will be placed in a Frustrated Cargo Suspense file and one copy will be attached to the number one piece of cargo. The cargo will be placed in the designated Frustrated Cargo Staging Area awaiting disposition instructions. Frustrated cargo will be included in the daily required floor checks for inventory control.

(2) Local Carriers. For cargo offered for shipment by local U. S. Government carriers, the contractor receiving personnel shall refuse delivery of the cargo, directing the driver to return the shipment to the origin for documentation. Any disagreements as to validity of the documentation will be referred to the Air Terminal Operations Center (ATOC)/Airlift Control Point (ACP) for resolution.

(3) Cargo Without Transportation Documentation. For properly documented cargo received without a Transportation Control Movement Document (TCMD) attached, the contractor receiving personnel will prepare a hard copy TCMD as follows:

(a) Copies. Three (3) copies are required.

(b) Information. The following information is required: Blocks 3, 4, 10, 12, 13, 14, 17, 22, 23, 24, 25A, 25E, 25F, and 28 will be filled in to the extent information is available on the supporting documentation.

(c) Distribution.

Copy 1: with offload manifest or check list.

Copy 2: attach to the number one piece of cargo.

Copy 3: to the Air Terminal receipt file.

e. Damaged Shipments

(1) Repacking/Recoopering. The objective of the Department of Defense (DOD) air cargo movement system, both MAC and Navy organic logistic airlift, is to move material responsively and is coupled with the requirement to deliver shipments in good order to the consignee. In the case of physical damage to a shipment, it is the responsibility of the Air Terminal contractor agent noting the damage to take measures to avoid or minimize further damage. The contractor will maintain coopering material to repair damage to containers to preclude a loss or prevent further damage to a shipment. The contractor shall be responsible for all damage (other than concealed damage) to all shipments while in the possession of the Air Terminal.

(2) Notation of Damage. In the case of received damaged materials, the condition of such damage must be fully noted on the original, consignee, and

destination station copies of the accompaning movement documents, and the damage report, DD-6, prepared before delivery to the consignee, if local, or onward transportation movement. After notations are made, delivery of the damaged and recoopered material will be made in the same manner as a shipment without damage. Shipments that cannot be adequately repacked for onward movement shall be frustrated in accordance with local directives and instructions.

f. Split Shipments

(1) Requirement. In order to achieve the maximum utilization of available allowable cabin loads, it may be necessary to load a single shipment on separate flights. Exceptions to this policy are listed in MILSTAMP, Appendix B, Section 12. When this techniques is used, it is necessary to have some method of identifying or documenting the "split" shipments so that destination stations will know how to handle the shipments when received, and, if needed, be able to trace one or more of the separate shipment units. Split shipments are required when the original shipment quantities must be forwarded on separate flights or placed on separate pallets.

(2) Documentation. Identifying or documenting "split" shipment units is accomplished by preparing separate documentation for each partial shipment and modifying the information contained in the original

documentation to reflect the fact that each document covers only a partial quantity of the original shipment. The contractor will prepare "split" shipment documents, as necessary, when required in accordance with local directives and instructions.

g. Explosive Shipments

(1) Requirement. All Class "A" and "B" explosives, sensitive ammunition, and associated materials consigned to the Air Terminal for onward transportation will be delivered to and stored by the Weapons Department of the station. The Weapons Department will advise the Load Planning Section that materials on hand awaiting shipment are ready for processing. The contractor is responsible for preparation of the TCMD from information provided by the Weapons Department to the Load Planning Section. When transportation clearances have been approved, the Load Planning Section will advise the contractor and the Weapons Department as to the time that the explosives or ammunition are to be delivered to the "Hot Spot" (red label cargo handling area) for loading on designated Navy or MAC aircraft.

(2) Personnel Qualifications. The contractor will be responsible for furnishing qualified personnel to load explosives on designated aircraft. In accordance with local station directives, the Weapons Department personnel will normally remain on the "Hot Spot" in the capacity of

safety supervisors/observers until the aircraft is airborne. All contractor personnel authorized to handle explosives must have, and successfully pass, a special physical examination equivalent to the Civil Service examination given to ordnance handlers. All contractor personnel handling and/or supervising the handling of explosives or sensitive ammunition shall receive ordnance certification annually. The Navy Transportation Safety Handbook (OP 2165) provides detailed instructions for handling ordnance materials. Training of ordnance certified contractor personnel will be accomplished during the phase-in period and will consist of approximately forty (40) hours of on-the-job training (OJT). This OJT will be coordinated through the Contracting Officer's Technical Representative (COTR). Prior to commencement of the OJT, the prospective ordnance handler must successfully complete the special physical examination which is to funded by the contractor. This physical examination must be certified by the attending physician on the Physical Certification Form which is obtained from the COTR. The completed form shall be returned to the COTR for inclusion in the employee's training folder.

h. Special Handling Shipments

(1) Hazardous Cargo. Each shipment of hazardous cargo as defined by the NAVSUP PUB 505/AFR 71-4 shall have attached to each container a properly completed

DD Form 1387. The original DD Form 1387 must be attached to the number one container and must be properly certified with the name, identification, station and signature of the certifing official clearly visible. When the only available copy of the DD Form 1387 is the one affixed to the container(s), the contractor will frustrate the shipment in accordance with local directives and instructions pending preparation of sufficient certified copies.

(2) Security Signature Service (SSS). At the beginning of each shift, a daily inventory of all security signature service items in the security cage will be conducted by the contractor and annotated on the security cage inventory form (MAC Form 214). A copy of this form shall be delivered to the Load Planning Section. Any discrepancies or loss of items not resolved by an area search and overshipment identification procedures will be immediately reported to the COTR for investigation.

(3) Refrigerated Cargo. Shipments requiring refrigeration may be readily identified by the bright colored markings on the containers and by the special handling instructions on the accompanying documentation. Whenever shipments requiring normal refrigeration (32-55 degrees F) are received, the contractor is responsible for placement of the shipments into the terminal refrigerator until loading on the designated onward movement aircraft.

Care is to exercised that the temperature range is maintained to that specified in the special handling instructions and that the contents are not allowed to freeze (especially when handling shipments of whole human blood). Entries on the forms found on the shipments will be annotated to indicate new placement and removal times from refrigeration. When advised by the ATOC/ACP that the date and time for reicing will occur before dry or wet iced shipments can be delivered to the ultimate consignee or a downline station capable of reicing, the contractor will arrange to have the shipment reiced. Daily shift inventories of refrigerated cargo will be made utilizing the MAC Form 106, Biological/Reicing/Refrigeration Log. Each inventory will be signed by the contractor shift chief and a copy turned into the Load Planning Section prior to change of shifts.

i. Cargo Palletization

(1) Pallet Build-Up. All cargo on a MAC Standard 463L cargo pallet or the Navy logistic cargo pallet (Navy Half-MAC pallet) should be for the same destination Air Terminal but, when necessary, cargo for no more than two destination Air Terminals may be loaded on one pallet, with a top net or plastic cover separating the destinations. Pallets must be built up in accordance with the applicable Technical Orders for the aircraft on which the cargo will move. Split shipments should be avoided to

the maximum extent possible but, if required, must have appropriate documentation prepared by the contractor for each split quantity. Heavier cargo items should be loaded on the pallet floor with lighter items on top. Except for security service shipments, sensitive or pilferable items should be buried among other items on the pallet. Hazardous items must be placed in a manner such that the DD Form 1387 is clearly visible and that the shipment can be quickly removed should leakage occur. Shipments must be carefully double-checked when loaded onto pallets to reduce the possibility of short or over shipments.

(2) Pallet Weight/Cube. Pallets must always be loaded to either the maximum allowable compartment cube of the designated aircraft or the the maximum allowable compartment weight/pallet weight and/or deck/roller stress limits. Pallet buildup will be accomplished in the warehouse or storage area where all available cargo can be readily observed and, therefore, maximum opportunity for pallet utilization obtained. As cargo is placed on a pallet, the information will be recorded on the Pallet Talley Sheet (PTS) as to the identity of the shipment(s) involved. When pallets have been built up to the maximum weight/cube possible, the freight must be completely covered with a polyethelene plastic cover and properly netted in accordance with MAC Regulation 76-1, Chapter 11. All pallets must be weighed and the total weight must be

annotated on the PTS. The completed PTS will be delivered to the Document Control Section where a pallet manifest and two Pallet Identifier Cards, MAC Form 329, are prepared and returned to the contractor for attachment to the completed pallet. The Pallet Identifier Cards are attached to the pallet on adjacent sides of the pallet. The pallet manifest is to be placed in a glassine plastic envelop (zip lock bag) and attached to the pallet net on the top right long side of the pallet, with a MAC Form 329 placed adjacently to the right.

j. Shipment Load Planning

(1) Planned Load Coordination. The contractor is responsible for coordinating with the Load Planning Section for the proper designation and build-up of the planned load for all scheduled missions.

(2) Shoring Requirements. The contractor must become knowledgeable of the floor strength and deck/roller stress limits for the various aircraft which may be designated to transport on hand shipments. If the shipment exceeds the floor strength, shoring required in accordance with the applicable aircraft Technical Order for the designated aircraft type must be identified and available prior to scheduled onload. Provision of the various types of shoring is the responsibility of the contractor and should include, at a minimum, the types and quantities of materials listed in Technical Exhibit 5.

(3) Aircraft Loadmaster Coordination. Upon arrival of the aircraft, the contractor is responsible for contacting the aircraft loadmaster to discuss the planned load and explain any dangerous/special handling cargo scheduled for the mission. Reconfiguration of the aircraft, if required, should also be discussed.

(4) Aircraft Loading. The contractor will identify to the loadmaster all pallet trains and/or rolling stock scheduled for the mission. The loadmaster's requirements for extra restraints and shoring must be complied with or the load may be rejected. The loadmaster must be shown and allowed to inspect fully, all dangerous and special handling documents and materials. Disagreements between the loadmaster and the contractor will be resolved by the ATOC/ACP. As directed by the loadmaster, the contractor will position the scheduled and approved load in the aircraft, observing all Navy, MAC, and local station safety and operating rules and regulations. The contractor is responsible for obtaining the Pilot Weight and Balance Sheet (MAC Form "F") from the loadmaster prior to aircraft departure. The Form "F" will be delivered within five (5) minutes of aircraft block out to the ATOC/ACP.

k. Terminating Cargo Shipments

(1) Receipt and Processing. The contractor is responsible for the receipt and processing to the ultimate

consignee of all air cargo arriving at the Air Terminal which is destined for units located in the geographical area served locally by the station. This requirement does not include local delivery outside of the immediate area of the Air Terminal.

(2) Current Average Monthly Workload. The following data is included in the Projected Workload averages indicated in Technical Exhibit 4:

XXX tons terminating cargo handled.

XXX tons household goods shipments.

XXX tons forwarded via commercial shippers.

XXX tons for local consignee pick-up.

(3) Over/Short Shipments. When terminating pallets are broken down and the in check reveals cargo manifested but not in the pallet, the in check list will be annotated as a short shipment. If a partial shipment only is received, the in check list will be annotated as to the pieces, weight, and cube actually received. If a shipment is received without a transportation document, a hard copy TCMD (in triplicate) will be prepared from the documents or markings on the containers for the purpose of local distribution of the shipment. For cargo received but not manifested (over shipments), the in check list will be annotated with all the information (taken from the shipping label or attached documents) which would normally appear on

the Pallet Manifest, indicating all such entries clearly as "overshipments".

(4) Transshipments. When advised by the ATOC/ACP/DOCUMENT CONTROL SECTION, the contractor is responsible for loading all government cargo on U. S. Government or commercial contract transportation for transshipment. For outbound shipments made under a GBL, the contractor is responsible for segregating identified shipments from the cargo breakdown area to an assigned staging area for holding pending arrival of the commercial carrier to pick up the shipment. The contractor will load all freight for shipment by a GBL on the commercial carrier's truck and shall be responsible for accuracy and safety during the loading operations. For local area consignee's, the contractor is responsible for loading local unit U. S. Government or commercial rental vehicles upon arrival for pick up of processed terminating cargo. The contractor shall provide and maintain a truck control log, noting time, date, and shipments loaded with the identification of the driver and the license number of the truck.

(5) Special Handling Cargo. The contractor is responsible for maintaining tight control and liaison with ATOC/ACP and the Weapons Department for inbound flights carrying explosives, including sensitive ammunition and related materials shipments. The contractor must maintain

control of and strict signature service procedures for all security cargo turned over to local consignees or loaded onto U. S. Government or commercial contract -carriers.

(6) Terminating Cargo Processing Times. All terminating cargo must be processed and available for consignee pick up within 48 hours after aircraft block in unless frustrated for documentation/damage reasons or held by customs personnel.

(7) Terminating Cargo Inventory. All terminating cargo will included in the daily inventory procedures for on-hand cargo, including security cage, refrigerator, and staging storage areas.

(8) Cargo Frustration. Terminating cargo will be frustrated if the hazardous cargo certification (DD Form 1387) is inadequate or deficient, household goods inbound to the United States are not accompanied by properly completed documentation for customs (DD Forms 1282), or the shipments are improperly identified or damaged. Terminated frustrated cargo will be segregated in the assigned area.

(9) Coordination with Customs Personnel. The contractor will deliver to the examination area all shipments designated for local or military customs inspection. The contractor will assume all responsibility for ensuring that shipments designated for customs inspection do not leave the terminal area until properly cleared and released. The contractor will be liable for

all fines assessed or penalties imposed by local customs inspectors as a result of violations for failure to control terminating cargo. The contractor will be responsible for providing wood-workers from the packing and crating function to open and close (recrate) all shipments designated for inspection by customs officials. Released cargo is delivered back to terminating cargo personnel for continued processing.

1. Packer/Crater (Wood Worker) Requirements

(1) General. The contractor shall provide and maintain sufficient on hand stocks of lumber and related materials in various sizes to accomplish all tasks assigned under this section as well as for any shoring materials requirements. Contractor personnel assigned as Packers/Craters must be able to operate all types of equipment and tools related to the wide range of crating and packing of materials requirements as well as have the training and license to operate forklifts, pickup trucks, and other equipment necessary to perform the packer/crater work requirements.

(2) Services. The contractor is responsible for the following:

(a) Assisting Customs Personnel. The contractor is responsible for receiving information from the terminating cargo personnel and customs officials on all inbound shipments designated for customs inspection.

Contractor personnel will open all containers so designated and makes shipments available to the customs officials. After inspections are complete, the contractor is responsible for repacking and closing all shipments in a manner required for further processing. Recrating will be effected as required.

(b) Documentation Validation. The contractor shall check all items to be crated against associated shipping documents to ensure correct identification, quantities, and condition.

(c) Proper Crating. The contractor shall take critical measurements as to weight and weight distribution, deciding upon appropriate methods of crating shipments and the placement of internal blocking, collars, yokes, saddles, and other supporting and bracing fixtures. The contractor is responsible for building crates and providing cushioning materials and bracing, as required.

(d) Non-Standard Shipments. The contractor is responsible for packing of materials, equipment, and household effects in non-standard boxes and crates using waterproof liners or wrappings when specified, including bracing supports to secure items and providing fill material, where needed, to cushion the shipment to prevent damage.

(e) Shipment Markings. From information contained in the packing list, the contractor must prepare identifying, shipping and handling instructions and stencils or affixes the information to all boxes and crates included in the shipment. Each box or crate in a shipment will be designated with a specific box/crate number (box 1 of 2, crate 6 of 8, etc.). Each box or crate will be weighed and shipping labels will be annotated as to piece count, weight, and cube.

(f) Minor Repairs. The contractor is responsible for making minor repairs to cargo and passenger terminal buildings and minor equipment, such as baggage carts, as requested by the Air Terminal Officer or the COTR.

(g) Shoring. The contractor is responsible for cutting of lumber to size and shape for crating and fitting of blocks, skids, yokes, and other dunnage, as necessary for shoring and load distribution requirements. The contractor is responsible for cutting lumber to size and shape and constructing pallet spacers, as required, for use in pallet train configurations for loading onto aircraft. The contractor packer/crater personnel must construct all types of aircraft, truck, and Ground Support Equipment (GSE) chocks.

(h) Repacking of Damaged Cargo. The contractor must accomplish repairs, repacking, and recrating, as required to damaged cargo shipments in a manner to accomodate continued processing.

D. RAMP/FLEET SERVICES

1. General

Ramp/fleet services are defined as those services required to facilitate passenger or cargo loading/unloading, directing and parking of aircraft, preparation of the aircraft for its next flight, and fueling/defueling of aircraft, if applicable. These services shall consist of, but are not limited to, the following:

a. Equipment Positioning/Depositioning

The contractor shall position and deposition to and from the aircraft all required ground power units, boarding ladders, crew stairs, safety toggles/pins, grounding cables, security stanchions/ropes/warning signs, cargo handling equipment, potable water equipment, baggage handling equipment, lavatory servicing equipment, ground air conditioning equipment, crew transportation vehicles, and applicable Ground Support Equipment (GSE). This requirement includes positioning and depositioning of equipment to/from Air Terminal or Station equipment pool areas and/or maintenance areas.

b. Aircraft Marshalling

The contractor shall provide aircraft marshalling and fire guard services for engine starts as required by military directives of both the Station and the aircraft operator. For example, a Military Airlift Command C141B Starlifter would be provided services as required by both MAC/USAF and Navy directives. Powered GSE units will be connected, operated, monitored, and disconnected by contractor personnel (into the aircraft vice to the aircraft service). Contractor personnel are strictly responsible to maintain adequate levels of fuel and lubricants in powered GSE units to ensure uninterrupted operation at the aircraft. The contractor will pickup completed loadmaster documentation at the aircraft, including the DD Form 365F and MAC Form F (Weight and Balance Sheet) as applicable, and ensure delivery to the Air Terminal Operations Center (ATOC)/Airlift Command Post (ACP) within five (5) minutes after aircraft block-out.

c. Fleet Services

The contractor is responsible for cleaning the interior of all MAC military aircraft and designated Navy organic logistic aircraft, including both passenger and cargo/baggage compartments. Cleaning requirements and standards shall be as directed by MAC Regulation 76-1 and shall include the following minimum requirements:

(1) Transiting Military Aircraft.

(a) Latrine. The contractor shall clean and disinfect all latrine areas as prescribed in MACR 76-1 and service all units with the prescribed amount of potable water and deodorant/disinfectant.

(b) Trash Containers. The contractor shall empty and clean all soiled trash containers and line with a new polyethylene bag.

(c) Ashtrays. The contractor shall empty, clean, and replace passenger seat ashtrays.

(d) Seats. The contractor shall fold blankets, straighten seats, replace soiled pillow covers, cross seat belts on the seats, and replace missing or soiled headrest covers.

(2) MAC military aircraft with over 12 hours ground time.

(a) Trash Removal. The contractor shall remove all trash from passenger seat pouches.

(b) Ovens. The contractor shall clean crew/passenger galley and ovens.

(c) Comfort Pallet. The contractor shall clean comfort pallet galley, ovens, and refrigerators.

(3) Military Aircraft(as required only).

(a) Disinfection. The contractor shall clean areas contaminated by airsickness, spillage, or latrine overflows with soap and water, followed by thorough rinsing, and appropriate deodorant/disinfectant application(s).

(b) Floor Areas. The contractor shall sweep, mop, and clean floor areas of both passenger and cargo/baggage compartments when requested by the air crew.

(c) Linen. The contractor shall exchange soiled linen.

d. Other Aircraft

The contractor shall clean the interior, and provide latrine and potable water servicing for other than Navy or MAC/USAF aircraft as requested by the Air Terminal Officer, or his designated representative.

e. In-Flight Meals

The contractor shall collect from the In-Flight Kitchen/Flight Galley and deliver to the aircraft all items necessary for the in-flight feeding of passengers and crew members. Beverage containers and/or potable water containers will be picked up from the aircraft and delivered to the kitchen/galley by the contractor, using personnel and vehicles which are in no way connected with latrine servicing. Items for pick-up and delivery include, but are not limited to, hot and cold beverages, in-flight frozen meals/box lunches, and various types of snacks. The vehicle used for this purpose will be provided by the contractor and must be maintained in a high state of cleanliness and sanitation. Beverages, in-flight meals and snacks are to be provided by the U. S. Government. Unused foods and beverages will be returned to the kitchen/galley and will not be consumed by contractor personnel. The contractor will be responsible for the preparation of meal, beverage, and snack request forms and collection of in-flight meal and beverage charges for both passengers (through and originating) and flight crews. Receipt of funds collected shall be provided by the contractor at the time of receipt. If collective payment is made by a passenger group leader or air crew representative, a receipt for the total amount received is acceptable. The contractor shall provide and maintain funds of not more than $100.00 for purposes of expediting exact change payment for meals. The contractor is required to safeguard the funds pending turnover to the kitchen/galley cashier. Any loss or theft of either the collected charges or the change fund is solely the responsibility of the contractor. This subparagraph specifically does not apply to MAC Contract Airlift. The contractor is, however, responsible for maintaining liaison with contract airlift catering personnel to ensure that commercial contract aircraft are not delayed due to meal/beverage loading.

f. Food Handlers Certificate

Contractor personnel assigned duties involving the handling of food containers and associated food service equipment shall be required to have in their possession an approved "Food Handlers Certificate" from the In-Flight Kitchen/Flight Galley. The certificate will be issued only after required physical examinations are completed. The examinations are the responsibility of the contractor and separate funding will not be provided, nor will medical facilities be made available, by the U. S. Government. The Contractor will ensure that personnel assigned to the cleaning and servicing of aircraft latrines are not permitted to handle food or food servicing items at any time.

g. In-Flight Meals Storage

In the event that an aircraft's departure time is delayed, and upon instructions by the Air Terminal Officer or his designated representative, in-flight meals and beverages/snacks will be removed from the aircraft and returned to the kitchen/galley or to the Air Cargo Terminal refrigerated storage areas for storage pending future delivery. The contractor will ensure that a receipt is obtained from the custodian at the designated storage location and that a complete inventory is conducted upon pick-up for redelivery to the aircraft. Replacement of any items which are not returned to the aircraft are the responsibility of the contractor, unless proof of loss by the storage custodian can be documented.

h. Cargo Reconfiguration

The contractor shall reconfigure an unspecified number of pallet positions within the aircraft as required for mission changes or weight and balance considerations. The term "reconfigure" is defined as altering the configuration of pallet positions to either cargo or passenger configuration, as directed by the Air Terminal Officer or his designated representative.

i. Cargo Securing/Shoring Materials -

With the exception of MAC Contract Aircraft, the contractor shall arrange properly within the aircraft all nets, straps, cables, chains, devices, and shoring materials, as directed by the aircraft loadmaster.

j. Aircraft Equipment Custody

For all MAC aircraft (both military and contract aircraft), the contractor shall sign the MAC Form 12/12A for all supplies and associated equipment requiring removal, and then off-load and transport removed items to the designated storage location. A copy of the MAC Form 12/12A will be delivered to the ATOC/ACP with the other aircraft documentation within 5 minuted after aircraft block-out. The contractor shall be responsible for tagging/identifying all removed equipment, indicating the aircraft tail number. This subparagraph does not apply to straps, chains, and devices removed with cargo pallets. The contractor is also responsible for ensuring that all removed items are returned to the proper aircraft at the time the aircraft is scheduled for servicing. A signature on the MAC Form 12/12A will be obtained from the aircrew for all items returned. The contractor will ensure that a copy of the MAC Form 12/12A for returned equipment is provided to the ATOC/ACP with the other aircraft documentation within 5 minutes after aircraft block-out.

k. Expendable Items

For all MAC military aircraft, the contractor will maintain a 30 day supply of the expendable items and a full stock of regulated items as listed in MAC Regulation 76-1, Chapter 10. An initial supply of materials will be provided by MAC Liaison personnel and will be signed for by the contractor upon receipt. All items will be inventoried at least every 30 days and requisitions for replacement supplies will be processed through the MAC Liaison personnel. For all regulated items, issues to MAC aircraft will be documented by obtaining the loadmaster's signature on a MAC Form 12. Issues to other than MAC military aircraft may be authorized on a case by case basis by the MAC Liaison Officer or his designated representative.

l. Aircraft Parking

For aircraft marshalling/ramp services, the contractor shall receive instructions from ATOC/ACP as to where incoming aircraft will be parked. The contractor is responsible for the following:

(1) Directing of Aircraft. The contractor is responsible for directing all designated aircraft in and out of assigned parking spots, using wing walkers at all times. Wing walkers will remain at their positions until the aircraft is chocked and its engines are shut down.

(2) Aircraft Block-In. Once the aircraft are stopped and parked in the final spot, aircraft wheels will be chocked, gear pin locks installed, and all ground support equipment will be parked pointed away from the aircraft and securely chocked.

(3) Aircraft Power Units. The contractor shall provide fully qualified and licensed operators for aircraft power units. Power units will be manned at all times when servicing aircraft in accordance with station directives. Operators will be licensed through the Ground Support Equipment Division and training quotas will be coordinated through the Air Terminal Officer.

(4) Aircraft Loading Equipment. The contractor shall provide fully qualified and licensed operators for aircraft loading equipment such as 10K forklifts, 25K and 40K aircraft loaders, and wide body aircraft loaders. No loading equipment shall be driven toward or away from an aircraft unless a director is present and solely dedicated to the equipment in motion. When in use, either on the ramp or at planeside, equipment operators will be at the controls at all times, even when the motor is shut down. Training for aircraft loading equipment will be coordinated through the MAC Liaison Officer/Air Terminal Officer on an as needed basis.

(5) Fire Watch. While designated aircraft are being refueled by Fuels Division personnel, the contractor

shall be responsible for providing personnel to maintain a Fire Watch with approved fire bottles which shall be maintained by the contractor in assigned areas painted onto the ramp when not in use. The contractor shall maintain a permanent log book which indicates a daily inspection of all logistic line fire bottles and shall ensure delivery of defective bottles to the station Crash Crew/Fire Department for replacement. Training of aircraft marshalling personnel in Fire Watch duties will be provided by the Crash Crew/Fire Department and quotas coordinated through the COTR.

(6) Aircraft Loading/Unloading. The contractor shall be responsible for loading or unloading all cargo and baggage, as required, using sufficient equipment and fully qualified personnel to safely accomplish each function within allotted timeframes for each aircraft type as designated in Technical Exhibit 4. Good aircraft handling practices dictate a minimum of six qualified personnel to safely and efficiently load/unload a C5 Galaxy, C141B Starlifter, and C130 Hercules or a minimum of four qualified personnel to load/unload Navy C1/C2 Carrier Onboard Delivery (COD) or CH46/CH53 Vertical Onboard Delivery (VOD) aircraft. C5/C141/C130 staffing should consist of: one (1) director/supervisor, one (1) 25K/40K aircraft loader operator, one (1) 10K forklift operator, two (2) pallet pushers, and one (1) power unit operator.

C1/C2/CH46/CH53 staffing should consist of: one (1) director/supervisor, one (1) 10K forklift operator, one (1) pallet pusher, and one (1) power unit operator. The contractor will ensure that all cargo for MAC aircraft is palletized to the maximum extent practicable and secured onboard in accordance with the applicable technical order for the aircraft being loaded and in the sequence specified by the aircraft loadmaster.

(7) Aircrew Transportation. The contractor shall provide a driver and vehicle to transport aircrews from the aircraft to the Air Terminal and for return to the aircraft prior to upload/preflight.

(8) Latrine Service Equipment. The contractor shall furnish aircraft latrine service equipment capable of providing latrine service for C5, C141, C130, and C9 aircraft. The contractor shall provide qualified operators and provide service in accordance with applicable technical and operating instructions of the equipment furnished.

(9) Documentation Distribution. The contractor shall meet all incoming aircraft upon arrival and obtain copies of passenger, cargo, and mail manifests, and all supporting documents for cargo onboard the aircraft and distribute copies to Passenger Services, Air Cargo and ATOC/ACP in accordance with local instructions.

(10) Aircraft Deicing. The contractor shall furnish an aircraft deicing vehicle capable of deicing a

C5, C141, C9, C131, C118, and other smaller aircraft that transit the Air Terminal. The contractor shall furnish qualified operators and provide services in accordance with applicable technical and operating instructions of the equipment.

TECHNICAL EXHIBIT 1

PERFORMANCE REQUIREMENT SUMMARY

A. PURPOSE

The purpose of this technical exhibit is to:

1. Requirements

List the PWS requirements considered most critical to satisfactory contract performance.

2. Acceptable Quality Level (AQL)

Show the maximum allowable degree of deviation from perfect performance for each requirement (AQL) that shall be allowed by the U. S. Government before performance of requirements contained in the PWS is considered unsatisfactory.

3. Quality Assurance Methods

Explain the basic Quality Assurance methods that the U. S. Government will use to evaluate the contractor's performance in meeting the requirements of this PWS or any resultant contract.

4. Unsatisfactory Performance Payment Reduction

Define the procedure that the U. S. Government will use in reducing the contractor's monthly payments if satisfactory performance is not rendered by the contractor.

B. GENERAL

1. Sampling

The U. S. Government's primary quality assurance procedures are based on random sampling of the recurring critical output services of the PWS, using the concepts contained in MIL-STD-105D. Other areas of the PWS will be reviewed periodically. Sampling criteria derived from MIL-STD-105D are based on the lot size, sample size and AWL for each critical PWS requirement. When the number of defects in the contractor's performance discovered by the COTR exceeds the satisfactory level, the contractor shall be required to complete a Contract Discrepany Report (CDR). The CDR will require the contractor to explain in writing the reasons that performance was unsatisfactory, how performance will be returned to satisfactory levels, and how recurrence of the problem will be prevented. The contractor will not be paid for services which are not in accordance with the standards set forth in the PWS or referenced in the PWS. The criteria for other than sampled requirements will be derived from historical data on the levels of performance experienced when the service was performed by other contractors or U. S. Government personnel and were the level of performance deemed satisfactory to the U. S. Government. The use of the Contract Discrepancy Report will also be applied to non-sampled areas.

2. Payment Reductions

Monthly payments to the contractor will be reduced for unsatisfactory performance using the folowing methods:

a. Monthly Inspection

Each month, contractor performance will be compared to PWS standards and acceptable quality levels, using the U. S. Government Quality Assurance Surveillance Plan.

b. Invoice Deductions

If performance in any required service is unsatisfactory, and the poor performance is clearly the sole fault of the contractor, an amount of money up to the monthly price times the percentage cost of the service will be deducted.

c. Deduction Computation

The amount of money to be withheld or permanently deducted for unsatisfactory performance will be computed as follows:

(1). Sampled Areas. For areas measured by sampling, the total monthly line item price times the percentage of the function represented by the required service times the percentage of the sample found defective. Note: The monthly price is obtained by dividing the total price by the number of months of the contract period.

(2). Non-Sampled Areas. For areas not measured by sampling, the method of deduction will be similar to areas measured by sampling except that the number of defects are divided by the total lot for the period.

d. Performance Over Two Periods

For those areas that are measured on less than a monthly basis, the deduction will be taken from the current month's invoice amount when that area was reviewed and found unsatisfactory. The deduction will be accumulated from each month covered by the surveillance if periods of two months are under review simultaneously.

e. Initial Two Month Break-In Period

During the first two months of services provided under the PWS or any resultant contract start-up (not including option periods), a larger error rate (AQL) will be allowed to recognize normal phase-in problems and learning curves for these certain specific services:

(1). Load/offload aircraft within allotted times.

(2). Process originating cargo within time frames.

(3). Maintain GFE/CFE.

(4). 463L pallet utilization.

The higher error rate (Acceptable Quality Level) applicable to the phase-in period shall be 150% of the designated AQL for each of the specific services as listed at the end of this Technical Exhibit.

3. Inspection System

The contractor shall be required to provide and maintain an inspection system for which quality control is acceptable to the U. S. Government covering the services to be performed under the PWS. Prior to award of any contract resultant from the PWS, the contractor shall design and describe such an inspection system in a Quality Control Plan. At the option of the U. S. Government, and as a condition of award, the contractor may be required to submit the Quality Control Plan to the U. S. Government for review and approval prior to award of any contract resultant from the PWS.

4. Default Clause, Terms, and Conditions

Nothing in the foregoing PRS provisions shall diminish or preclude U. S. Government actions pursuant to the default clause or other terms or conditions of any contract resultant from the PWS.

C. CONTRACTOR'S FAILURE TO PERFORM CONTRACT SERVICES

1. Failure to Load/Unload Aircraft

a. Excess Loading Times

If a U. S. Government military, commercial contract, or foreign flag aircraft is available for loading/unloading and the contractor fails to perform PWS services within the prescribed ground times, the Air

Terminal Services contractor will be held liable for any costs incurred by the U. S. Government.

b. Delay Into Crew Rest

If an aircraft is delayed beyond the allotted ground time and the air crew is required to go into crew rest, the contractor may be held liable for delay charges published in the MAC Tariff for SAAM missions or the commercial carrier's tariff, whichever is applicable.

c. Delay of Passengers on Delayed Flight

If on-hand passengers are waiting for the delayed flight and the COTR determines that the passengers are to accomodated for the period of the crew rest, the contractor will be liable for costs associated with transportation, lodging, and meals for the duration of the delay. This liability includes both space required and space available passengers manifested for the aircraft mission. The contractor may elect to pay these costs directly or effect payment as a reduction of the monthly invoice amount. The contractor may elect to move the passengers at his own expense and may be granted this option by the COTR providing that the contractor's proposed substitite service meets the approval of the COTR. The contractor must have the COTR's approval prior to providing substitute services. In no case may the substitute service be less than the service which the passengers would have received on the scheduled mission.

d. Delay in Passenger Processing

In the event that the contractor fails to process available passengers on a departing aircraft, and it is proven to the COTR that failure to process and load was due to negligence on the part of contractor personnel, the COTR may elect to either book the passengers on commercial flights to the destination, charter a commercial aircraft to provide transportation, or order a SAAM to transport the involved passengers to their scheduled destination. The COTR will be responsible for holding costs to a minimum while providing service at least equal to that for which the passengers were previously scheduled to receive.

e. Cargo/Mail Delays

In the event that the contractor fails to load manifested cargo or mail onboard a designated flight, the COTR may direct the contractor, or initiate action on his own, to forward the cargo/mail by alternate means (including SAAM, commercial charter aircraft or expedited surface means). The contractor will be responsible for the excess costs to the U. S. Government for the alternate transportation. The COTR will be responsible for minimizing the costs of alternative transportation to the contractor. The excess costs may be significant if a commercial charter aircraft or Special Assignment Airlift Mission is required.

2. Failure to Maximize Load Factors on Commercial Flights

a. Monthly Average Pallet Utilization

The contractor is expected to load all available cargo and mail on MAC channel flights to the limits of available Allowable Cabin Load (ACL), considering compartment space/cube limitations. Due to weather, head winds, required fuel loads, or operator-imposed restrictions on gross weights, the ACL for a given aircraft may vary widely; however, for planning purposes, the contractor will be provided a range of ACL's for each type of aircraft. The contractor is required to achieve a minimum monthly average pallet utilization of 1.9 short tons per pallet as reported in the MAC monthly utilization report. Failure to achieve this pallet utilization on a given channel, while cargo for that channel is carried over to later flights, will be sufficient evidence to invoke deductions for not moving cargo within prescribed timeframes.

b. Deduction Rates

The following deduction rates shall apply for all originating cargo:

(1) Green Sheet. $10.00 per 100 pounds of cargo not moved on the next available flight.

(2) 999. $10.00 per 100 pounds of cargo not moved within 24 hours, but not later than the next

available flight, if a flight is not available within 24 hours of cargo receipt.

(3) TP1. $8.00 per 100 pounds of cargo not moved within 48 hours, but not later than the next available flight, if a flight is not available within 48 hours of cargo receipt.

(4) TP2. $6.00 per 100 pounds of cargo not moved within 48 hours, but not later than the next available flight, if a flight is not available within 48 hours of cargo receipt.

(5) TP3. $4.00 per 100 pounds of cargo not moved within 72 hours, but not later than the next available flight, if a flight is not available within 72 hours of cargo receipt.

c. Six Hour Prior Receipt

To the extent that the aircraft is not fully loaded to either full visible cube or weight capacity, and cargo compatibility is not a contraining factor, the above deduction rates shall apply to any cargo which is received six hours or more prior to the designated aircraft arrival, or with prior coordination for late delivery, and is not loaded by the contractor.

d. Cargo Precedence Priorities

The above deduction rates may also be invoked if the contractor achieves the 1.9 short tons per pallet utilization but fails to give precedence to the cargo priorities for movement.

3. Failure to Fully Load SAAM Flights -

a. Weight/Cube Capacity

All cargo designated for a SAAM will be loaded on the designated aircraft up to the limit of the ACL or full capacity by volume. If the contractor fails to load a SAAM aircraft to full ACL or volume capacity, and the designated cargo has not been fully loaded, the contractor will be charged an amount equal to 80% of the cost of moving the remainder of the cargo to destination. The deduction rate will be based on the method of alternate movement utilized. Any time there is sufficient reason to believe that the contractor exercised good judgement in not fully loading all available cargo due to safety, cargo compatability, loadmasters refusal to accept the full load, or other extenuating circumstances, the contractor will be given the benefit of the doubt. Final determination of the sufficiency of reasons for failure to fully load SAAM aircraft will rest with the COTR.

4. Failure to Fully Load All Other Aircraft

a. Load Planning Directions

On all non-SAAM aircraft, the contractor will load in accordance with the direction specifically provided by the Load Planning Section and the aircraft loadmaster. No deductions will be imposed for failure to load available cargo providing that safe and reasonable efforts have been taken to load all available cargo.

5. Failure to Process Terminating/Transload Cargo in Time

a. 48 Hour Time Limit

All terminating or transload cargo will be processed within 48 hours after receipt. When subjected to inspection by national or military customs personnel, the 48 hour hold time will commence after release of the cargo from customs. Penalties will be as follow:

(1) Green Sheet and 999. $10.00 for each 100 pounds not available within 48 hours of receipt.

(2) TP1 and TP2. $6.00 for each 100 pounds not available within 48 hours of receipt.

(3) TP3 and TP4. $3.00 for each 100 pounds not available within 48 hours of receipt.

6. Contractor Liability for U. S. Government Cargo

a. U. S. Government Property

All property (also referred to as U. S. Government cargo) placed in the contractor's possession for the sole purpose of transportation shall not be deemed as U. S. Government property under the "Government Property Clause" of any contract resultant from the PWS.

b. Loss/Damage Liability

The U. S. Government relieves the contractor of liability for the loss or damage to any and all cargo processed by the contractor in the performance of this contract, except when such loss, destruction, or damage results from inadequate management policies or procedures, the use of untrained personnel, unauthorized equipment operators, negligence or abuse of U. S. Government cargo on the part of the contractor personnel, pilferage of U. S. Government cargo while in the possession of the contractor, or in the willful misconduct of any of the contractor's personnel.

c. Receipt of Shipments

Receipt of a shipment by the contractor, without a specific annotated exception, shall be prima facia evidence that the shipment was received in good condition in accordance with the information on the Transportation Control and Movement Document (TCMD), and that the packing thereof is considered to be sufficient and adequate to withstand the normal hazards of transportation.

d. Damaged Cargo Inspection

Any shipment discovered to be in a damaged condition will be identified to the the Load Planning Section for inspection. If only container damage is found, the contractor will be responsible for recoopering or repackaging the shipment for onward movment.

e. Modifications to Facilities

In the event that the contractor chooses to modify the area furnished by the U. S. Government for office, food service, or locker spaces at the contractor's expense, concurrence shall be obtained by the COTR and ATO. The proposed modification, with a sketch and the reasons for the proposal, will be reviewed for final approval by the Contracting Officer or his designated representative. In the proposal, the contractor shall indicate that the modifications will be undertaken without cost to the U. S. Government, will conform to appropriate safety and building codes, and that the U. S. Government will retain the option of allowing the modifications to become property of the U. S. Government upon contract termination or of directing that the contractor return the facilities to the original, unmodified condition.

D. SERVICES, STANDARDS, AND METHODS OF SURVEILLANCE

Required Service	Standard/AQL	Method Of Surveillance
Load/offload aircraft within allotted times.	As indicated in Technical Exhibit 4. (1%)	Each aircraft departure
Aircraft loaded to maximum allowable cabin load.	Programmed load as directed by Load Planning. (2%)	Daily, through contractor submitted pallet inventory report.
Process originating cargo in a timely manner.	Cargo must be processed and shipment ready within 8 hours. (2%)	Daily MAC on-hand reports.

Process terminating cargo within 48 hours of receipt.	After release by customs, cargo must be processed and available for pick-up within 48 hours. (1%)	Daily terminating cargo report.
Maintain GFE/CFE.	90% in commission rate maintained at all times. (3%)	Daily equipment status report.
463L pallet utilization.	1.9 short tons per pallet based on a monthly average. (2%)	Monthly review of MAC movement reports.
Inventory/monitoring refrigerated shipments	Maintaining and monitoring of refrigerated shipments in accordance with the PWS. (1%)	Daily inventory records of the refrigerator.
Control of over/short shipments.	Cargo placed and recorded to its proper destination staging area and as directed for planned loads. (2%)	Receipt of over/short shipment notices from downline stations.

TECHNICAL EXHIBIT 2

CONTRACTOR FURNISHED MATERIAL

A. MATERIALS

The contractor shall furnish, except for materials specified as GFE, the materials listed below:

1. Covers, Polyethylene, Large

NSN 3930-00-930-1480, estimated usage: 1500 per quarter, unit price: $72.42 per roll (1 each).

2. Straps, 5,000 Pound Capacity

NSN 1670-00-725-1437, 200 each, unit price: $8.53 each.

3. Chain Assembly, 10,000 Pound Capacity

NSN 1670-00-516-8405, 150 each, unit price: $10.46 each.

4. Chain Assembly, 25,000 Pound Capacity

NSN 1670-00-778-4079, 25 each, unit price: $40.28 each.

5. Adjuster Assembly, 10,000 Pound Capacity

NSN 1670-00-212-1149, 150 each, unit price: $19.51 each.

6. Adjuster Assembly, 25,000 Pound Capacity

NSN 1670-00-737-2166, 25 each, unit price: $45.00 each.

7. Pallet Couplers (Spacers)

NSN 1670-01-061-0990, 220 each, unit price: $29.45 each.

Note: All of the above items are used when additional restraint is required for loading. When straps, chains, and adjusters (devices) are used, the contractor must ensure that each is replaced on a one-for-one basis by the loadmaster of the aircraft being loaded. Pallet couplers are required for moving oversize cargo requiring two or more pallets. Pallet covers are required for protection of cargo on each pallet. Covers are considered expendable items and will not be reused.

B. EQUIPMENT

In addition to the materials listed above, the following types of equipment are currently being utilized in the performance of the Air Terminal Services:

1. Gasoline Powered 4,000 and 6,000 Pound Capacity Forklifts

2. Gasoline Powered Aircraft Deicer Truck

3. Gasoline Powered Aircraft Latrine Servicing Truck

4. Gasoline Powered 18,000 Pound Capacity Hi-Lift Truck

5. Diesel Powered Aircraft Air Conditioner Unit

6. Aircraft Boarding Ladder

7. Portable Light Cart

8. Gasoline Powered Warehouse Tractors, 4,000 and 7,500 Pound Capacity

9. Propane Powered 4,000 and 6,000 Pound Capacity Forklifts

10. Electrically Powered 2,000, 4,000, and 10,000 Pound Capacity Forklifts

11. Gasoline Powered 4,000 Pound Capacity Platform Truck

TECHNICAL EXHIBIT 3

U. S. GOVERNMENT FURNISHED EQUIPMENT

A. EQUIPMENT

The following is a listing of the Government Furnished Equipment (GFE) which the contractor will be required to maintain:

1. USAF Aircraft Loading and Ground Support Equipment

Registration	Type
XXXXXX	40K aircraft loader (diesel)
XXXXXX	40K aircraft loader (gas)
XXXXXX	25K aircraft loader (diesel)
XXXXXX	25K aircraft loader (gas)
XXXXXX	10K forklift (diesel)
XXXXXX	10K forklift (gas)
XXXXXX	C-5 tow tractor (diesel)
XXXXXX	C-5 tow bar
XXXXXX	C-141 tow bar

Note: All equipment listed above is furnished based on station workload and may be increased, rotated, or removed the discretion of the U. S. Government.

2. Air Cargo Building Cargo Handling System

a. 3 Pallet Pits With Installed Scales.

b. 14 Rollerized Conveyor Systems, 10,000 Pound Capacity.

c. 4 Roll-Up Doorways With Leveling Truck Docks.

d. 1 Portable 5,000 Pound Capacity Platform Scale.

e. 1 Portable 10,000 Pound Capacity Platform Scale.

3. Station Provided Ground Support Equipment

a. Power Units

The station Ground Support Equipment Division will furnish a minimum of two (2) NC-8 and one (1) NC-10 power units. Additional units are available if the workload justifies and with adequate advance notification. Repairs to and maintenace of all Navy GSE, less fuel and lubricants, will be perfromed by the Ground Support Equipment Division.

b. Equipment Rotation

Different types of equipment may also be placed for use at the Air Terminal based on policy changes or advances in the state-of-the-art.

TECHNICAL EXHIBIT 4

FISCAL YEAR XX WORKLOAD PROJECTIONS

A. PROJECTED WORKLOAD

1. Aircraft handled per month:

   XXX.

2. Passengers processed per month:

   XXX.

3. Baggage handled per month:

   XXX short tons.

4. Cargo/mail handled per month:

   X,XXX short tons.

B. AVERAGE AIRCRAFT HANDLED PER SHIFT

0700-1500		1500-2300		2300-0700	
C-141	3.13	C-141	3.15	C-141	1.68
C-9	2.38	C-9	2.53	C-9	1.04
C-130	3.12	C-130	2.01	C-130	2.82
C-5	0.51	C-5	0.48	C-5	0.38
Other	2.20	Other	1.05	Other	0.34

C. MAXIMUM GROUND TIME FOR MAC AIRCRAFT

1. C-141:

   2 hours, 15 minutes (plus one hour when refueled).

2. C-130:

   2 hours, 15 minutes (plus one hour when refueled).

3. C-5:

4 hours, 45 minutes.

4. Commercial contract aircraft:

3 hours.

Note: When loading explosives at the "Hot Spot", a additional hour may be requested. This extension is not automatic.

TECHNICAL EXHIBIT 5

FISCAL YEAR XX VOLUME OF REPACKING/RECOOPERING MATERIALS

Description	FY XX Annual Volume
Shipping Box, 25" X 21" X 15 1/4"	3 BD
Shipping Box, 30" X 12" X 6"	3 BD
Shipping Box, 20" X 20" X 3 1/2"	3 BD
Shipping Box, 46 7/8" X 38 7/8" X 42"	358 EA
Steel Strapping, 3/4"	11 CL
Steel Strapping, 1/2"	11 CL
Seals, Banding, 3/4"	5000 EA (1 BX)
Seals, Banding, 1/2"	5000 EA (1 BX)
Stretcher, Steel Strapping	2 EA
Hand Sealer, Steel Strapping, 3/4"	1 EA
Hand Sealer, Steel Strapping, 1/2"	1 EA
Lumber, 4" X 4" X 10'	6,000 BF
Lumber, 2" X 12" X 16'	6,400 BF
Lumber, 2" X 4" X 8'	2,000 BF
Lumber, 2" X 6" X 10'	3,200 BF
Plywood, 3/4"	100 SH
Plywood, 1/2"	50 SH

APPENDIX B

MEMORANDUM OF UNDERSTANDING EXCERPTS APPLICABLE TO AIR TERMINAL SERVICES PWS PROVISIONS

A. BACKGROUND

The Memorandum Of Understanding (MOU) between the Chief of Naval Operations and the Military Airlift Command (MAC) establishes basic procedures for interservice support of the airlift service by the Department of the Navy (DON), as specified in Joint/MAC/Air Force regulations; establishes elements of cost; and specifies the method and frequency of reimbursement for reimbursable support and services to be provided between the Chief of Naval Operations, Department of the Navy, and MAC. The MOU is applicable to DON activities (attachment 1) regularly traversed by MAC or MAC chartered aircraft via scheduled channel missions. The agreement is not applicable to DON activities which provide support to MAC activities on an as required only basis, such as Special Assignment Airlift Missions (SAAM), Joint Airborne/Air Transportability Training (JA/ATT), or exercises. The MOU is implemented by locally negotiated Interservice Support Agreements (ISSA) between individual DON activities. The MOU and associated ISSA incorporate provisions of basic regulations for interservice support, specifically provide definitive guidance on DON contract support of MAC operations at DON activities, and state definitive guidance on support of Airlift Service contract carriers (commercial or military) at DON activities.

The current MOU is dated 26 June 1980; however, a revised MOU is in the final stages of DON/MAC staffing. No substantive changes to excerpts contained in this appendix are contained in the MOU revision.

The MOU contains specific cost elements for the various functions to be performed by both the DON and MAC. The actual funding of the individual cost elements is negotiated at each location, Attachment 1, and must be contained in the finalized ISSA, using the MOU as the baseline document. The proportion or percentage of costs to be borne by the DON or MAC will be based on experienced and anticipated workload of Navy and USAF aircraft. There is currently no standardized method of formulating these percentages on a Navy-wide basis due to the wide disparity of functions performed at the 23 Navy installations worldwide. The negotiated ISSA's from each location are reviewed by the Fleet CINC's for the equitability of Navy and MAC funding requirements. Each location must ensure that a valid estimate is included in funding requests for the Navy ISSA obligations in the annual POM process. Additionally each location must ensure that the MAC support unit or operating location has arranged for adequate USAF funding for MAC ISSA obligations. Any discrepancies in funding levels to support the ISSA should be brought to the attention of the applicable Fleet CINC Comptroller, when discovered, for resolution.

B. REQUIREMENTS

Many of the requirements contained in the PWS for Air Terminal Services result directly from the provisions of the MOU and the MAC regulations incorporated in the MOU by reference. Should a significant change to the MOU occur, the PWS may require revision to adequately incorporate or delete any modifications. Accordingly, applicable excerpts of the MOU upon which the PWS was based are included in this appendix. It is important to note that not all of the provisions cited in the excerpts are covered specifically under the PWS as a contractor responsibility; however, the entire provision under each area is included so that other required functional interfaces may be evident. Prior to use of the PWS for either an OMB Circular A-76 study or formulation of contract technical specifications, the excerpts of this appendix should be compared with the current MOU provisions to identify any changes to either DON or MAC responsibilities.

C. EXCERPTS

The following excerpts are from the current MOU, as modified, and are the sections upon which the PWS is based:

1. General Responsibilities

a. The functions of enroute maintenance, enroute supply support, maintenance of Material Handling Equipment (MHE)/463L ground handling equipment, ground transportation, and command post at DON activities will be provided in accorance with the local ISSA. Subject to the approval of the Commanding Officer of a DON activity, MAC may establish an operating location to inspect and assist the DON and/or contract personnel performing MAC functions. [Ref. 9:p. 2]

b. All support will be furnished based on the assumption that MAC aircraft operate 24 hours/day, 7 days per week, except when a deviation is approved by MAC and the concerned Fleet Commander-in-Chief, i.e., CINCPACFLT, CINCLANTFLT, or CINCUSNAVEUR. [Ref. 9.p. 2]

2. Contract Carrier Support

a. The DON will furnish necessary equipment and personnel to provide the following services for all landings made at DON installations (originating, enroute, and terminating stations) at no cost to the contract carrier, except as otherwise provided in this paragraph:

(1) Parking of aircraft.

(2) Chocking and grounding of aircraft.

(3) Positioning, connecting, operating, and depositioning of aircraft ground power units.

(4) Fire guard for engine starts.

(5) Positioning, connecting, operating, and depositioning of engine start carts.

(6) Positioning, operating, and depositioning of compressors for airing of struts and tires. Nitrogen may be used when available to inflate aircraft tires on a nonreimbursable basis. A qualifed technical contrator representative will be present to supervise.

(7) To-plane service of hydraulic fluid on a reimbursable basis. Equipment and necessary operators will be furnished for wing de-icing at no cost; the de-icing fluid will be furnished on a reimbursable basis.

(8) Maintenance stands when required for ground servicing operations.

(9) Passenger processing.

(10) Passenger manifesting and documentation.

(11) Baggage handling (weigh, tag, load, and unload).

(12) Passenger and crew boarding stairs.

(13) Medical clearance (passengers only).

(14) Cargo receiving, processing, documentation, and positioning for loading.

(15) Loading, tie-down, and unloading of baggage and cargo.

(16) Cargo manifesting.

(17) Maintenance of cargo handling equipment, including 463L pallets and associated cargo nets.

(18) Potable water (includes equipment and into-plane servicing, if available on station).

(19) Baggage carts.

(20) Lavatory servicing, including positioning, hookup, operation, and depositioning of service unit (provided to the maximum extent possible).

(21) Flightline transportation of crews (provided to the maximum extent possible).

(22) Position, operate, and deposition ground air conditioning or heating units (provided to the maximum extent possible).

(23) High lift truck for galley servicing at those military bases where commercial catering service is not available (provided to the maximum extent possible).

b. The above services will be furnished for all landings at military installations, including additional landings made due to aborted flights, or alternate airfield landings, regardless of the cause of the landing. [Ref. 10:pp. 7-9]

3. Interservice Support Provisions

a. Category of Support: (AO) Transportation (Reimbursable).

(1) The DON will provide transportation (traffic) services to include responsibility for providing necessary personnel for the operation of terminals, handling of passenger travel on a cash reimbursable basis,

as required; meeting aircraft; loading and unloading of passenger baggage, cargo, mail, courier material; proper tiedown of cargo/mail/courier material within the aircraft; preparation of necessary documentation; filing and maintaining traffic records in accordance with MAC Regulation 76-1, Chapter 6, and Air Force Manual (AFM) 12-50, Tables 76-1 and 182-3 for registered and ordinary mail; forward supporting Airlift Services Industrial Fund (ASIF) documents to the applicable USAF documentation centers; submission of transportation recurring (RCS) reports; and ensuring compliance with border clearance regulations. Hazardous cargo shipments will be placed on MAC military or contract aircraft only after full compliance with Air Force Regulation (AFR) 71-4/NAVSUP PUB 505, paragraphs 1-2, 1-4, and 1-21.
[Ref. 10:p. A1-5]

(2) MAC will advise the host station of MAC requirements and provide Automated Data Processing (ADP) equipment of the same type and quantity installed at comparable MAC terminals to support documentation and reporting requirements unique to MAC operations, with equipment to be operated by DON or DON contract personnel [Ref. 9:p. 8]. MAC will man and operate Single Passenger Reservation System (SPRS) functions at locations deemed appropriate by MAC and the DON. The MAC advisory unit or operating location will provide On-the-Job Training

(OJT) assistance to DON personnel unable to attend the Air Transportation Technical Training Course. [Ref. 10:p. A1-5]

b. Category of Support: (AT) Terminal Operations (Reimbursable).

(1) The DON will provide a passenger terminal building that has adequate space for passenger processing, secure baggage handling, and passenger antihijacking inspections. The DON will provide services and material, as required, for preserving, packing, or crating of materials or supplies used in conjunction with the operation of MAC. [Ref. 10:p. A1-6]

(2) MAC will advise the host DON station of MAC requirements. [Ref. 10:p. A1-6]

c. Category of Support: (BR) MHE/463L Training (Reimbursable).

(1) The DON will establish a training program to qualify operators of MAC 463L/MHE in accordance with AFM 52-4 and MACSUP 1. The DON will establish a training program to qualify equipment mechanics on maintenance of MAC 463L/MHE. The DON will request USAF formal vehicle maintenance training quotas through the Navy Technical Training Center, Millington, TN and will request OJT/classroom maintenance training from the MAC support unit or operating location. [Ref. 10:p. 8]

(2) The MAC support unit or operating location will provide the DON host station with information copies of Operating Instructions (OI), checklists, training guides, etc., to be used to implement AFM 52-4 and MACSUP 1. The MAC support unit or operating location will assist the DON host station in determining specific training requirements and advise the DON host station of available Air Training Command (ATC) courses. When requested by the DON host station, the MAC support unit or operating location will provide OJT/classroom training at the support unit, within capabilities. MAC will monitor training programs. The costs of training provided by MAC will be borne by MAC. Attendance at ATC schools will be funded by ATC. [Ref. 10:p. 8]

d. Category of Support: (MA) Aircraft Maintenance (Reimbursable).

(1) When MAC maintenance personnel are assigned at the DON host station, the DON will provide transient alert services to include follow-me vehicle, parking, installation of chocks, pick-up of chocks after departure, and provide airframe deicing. If MAC maintenance personnel are not assigned, the DON will accomplish maintenance support based on local capabilities, as agreed in the local ISSA. Aircraft will be processed in the order of priority as established by the DON activity Commanding Officer. [Ref. 9:p. 8]

(2) MAC will provide technical representation and guidance in the maintenace of MAC aircraft and in the maintenance of MAC technical publication files. Technical publications will be obtained as directed by AFR 66-42/NAVMATINST 5600.11A [Ref. 9:p. 9]

e. Category of Support: (MG) Vehicle Maintenance Commercial and Military (Reimbursable).

(1) The DON will furnish and perform organizational and intermediate (field) maintenance on vehicles and ground support equipment (GSE) common to the station and MAC, and maintain MAC peculiar vehicles to the extent of station capability. The DON will use Technical Order (TO) 00-20B-5, inspection checklists furnished by the MAC support unit or operating location, and equipment technical orders as guides for performing periodic maintenance service (PMS) on MAC peculiar vehicles. The DON will request technical assistance from the MAC support unit or operating location, when needed, and report material deficiencies affecting MAC vehicles to MAC support unit personnel. [Ref. 10:p. A1-10]

(2) MAC support units or operating locations will provide technical assistance to DON host station personnel when requested, and furnish a copy of applicable scheduled maintenance inspection checklists. MAC will provide a supply allowance parts list (APL) for all MAC furnished equipment [Ref. 9:p. 9].

f. Category of Support: (MJ) Materials Handling Equipment and Components Maintenance (Reimbursable).

(1) The DON will furnish -and perform organizational and intermediate (field) maintenance on GSE, including traffic (463L) equipment, common to MAC and the DON host station, and maintain MAC peculiar vehicles to the extent of station capability. The DON will use TO 00-20B-5, inspection work cards furnished by the MAC support unit or operating location, and equipment technical orders as guides for performing periodic maintenance services (PMS) on agency peculiar vehicles. The DON will request technical assistance from the MAC support unit or operating location, when needed, and report material deficiencies affecting MAC vehicles to the MAC support unit or operating location. Each DON station will annually submit their depot maintenance requirements in accordance with TO 36A-1-112 for MAC-assigned 463L equipment to support the station requirements. Only those vehicles requiring extensive major repaires beyond the unit's maintenance capabilities will be scheduled for depot maintenance. [Ref. 10:p. A1-11]

(2) The MAC support unit or operating location will provide technical assistance to the DON host station, when requested, and will furnish the DON host station with a copy of applicable of scheduled maintenance inspection checklists in accordance with AFM 77-310, Volume

II and MACSUP 1. MAC will provide a supply allowance parts listing for all MAC furnished equipment [Ref. 10:p. 9]. The MAC support unit or operating location will provide depot maintenance submission assistance to the DON host station, consolidate and validate all depot maintenance requirements, and submit a consolidated report to Headquarters, MAC/LGMV. [Ref. 10:p. A1-11]

g. Category of Support: (SJ) Materials Handling Equipment and Components Supply (Nonreimbursable).

(1) The DON will provide necessary passenger, cargo, mail, fleet service, and baggage handling equipment required in support of the transportation (traffic) function that is common to the DON host station. [Ref. 10:p. A1-12]

(2) MAC will furnish 463L/MHE peculiar to MAC aircraft in accomplishment of transportation (traffic) functions. Equipment to be provided included K-loaders, 463L forklifts, pallet trailers, and other items required for loading/off-loading of MAC and MAC contract aircraft. MAC will be responsible for distribution/redistribution of all MAC furnished equipment as deemed necessary to the accomplishment of the overall MAC mission. MAC will identify specific nonconsumable items supporting 463L/MHE peculiar to MAC aircraft and take action through the Navy Ships Parts Control Center and appropriate Air Force inventory control agencies to register the DON as a user of

these items. When necessary, MAC will provide changes to these requirements to reflect future acquisitions or other changes. DON host station equipment allowances will be listed in the local ISSA. [Ref. 9:p. 9] MAC will provide a program for replacements of all MAC furnished equipment according to current MAC criteria. Replacement vehicles will be Air Force Logistics Command (AFLC) funded. [Ref. 10:pp. A1-12--A1-13]

ATTACHMENT 1

CURRENT DON ACTIVITIES RESPONSIBLE FOR FURNISHING HOST STATION MAC SUPPORT

Naval Air Facility, Midway
Naval Base, Guantanamo Bay, Cuba
Naval Air Station, Cubi Point, Phillipines
Naval Station, Rota, Spain
Naval Detachment, Souda Bay, Crete
Naval Support Office, La Maddalena, Sardinia
Naval Air Station, Guantanamo Bay, Cuba
Naval Station, Roosevelt Roads, Puerto Rico
Naval Station, Keflavik, Iceland
Naval Station, Adak, Alaska
Naval Support Activity, Naples, Italy
Naval Air Station, Sigonella, Sicily, Italy
Administrative Support Unit, Bahrain
Naval Technical Assistance Group, Alverca, Portugal
Marine Corps Air Station, Iwakuni, Okinawa
Naval Support Facility, Diego Garcia
Naval Communications Station, Harold E. Holt, Australia
Naval Air Station, Bermuda
Naval Supply Center, Norfolk, Virginia
Naval Air Station, Barbers Point, Hawaii
Naval Air Station, Norfolk, Virginia
Naval Base, Norfolk, Virginia
U.S. Naval Office, Singapore, Thailand

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7.	Commander R. E. Elgin, SC, USN Naval Supply Systems Command, Code 051 Washington, D. C. 20376	2
8.	Commander Gary Dietz, USN, Code LNN Headquarters, Military Airlift Command Scott Air Force Base, Illinois 62225	
9.	Lieutenant Commander D. H. Tomlinson Naval Sea Systems Command Washington, D. C. 20378	2

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